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Major faces new crisis on Euro vote

Goldsmith referendum attack

PATRICIA WYNN DAVIES
Political Correspondent

John Major's leadership faced fresh challenges over Europe last night as the anti-EU Referendum Party poured scorn on the anticipated Government promise of a single currency referendum, and backbenchers threatened a barrage of dissent if tomorrow's White Paper fails to take a tough line on reducing the powers of Brussels.

There were urgent calls from senior Tories for the Government to negotiate with the anti-EU millionaire Sir James Goldsmith, whose self-financed Referendum Party is threatening Tories in marginal seats.

The deeply Eurosceptic party throws down a fresh gauntlet to the Government today with full-page advertisements in national newspapers declaring that Cabinet moves towards a referendum on a single currency do not go far enough.

The advertisements reproduce a letter from Sir James to candidates and supporters declaring that the Cabinet's expected agreement to hold a referendum only if it decides in favour of a monetary union would be an "empty gesture...". The referendum should allow for a full debate on the sort of Europe of which Britain wants to be part."

It continues: "The referendum on a technical aspect of the EU treaty, without a full debate on the fundamental issue, would be no more than a continuation of the fudge and subterfuge which has led Britain into a European construction diametrically opposed to that which was approved during the 1975 referendum on our membership of the EU."

The latest challenge to the fragile peace John Major is painstakingly attempting to construct over Europe follows entreaties by Brian Mawhinney, the Conservative Party Chairman, to Cabinet colleagues to look at ways of buying Sir James off.

John Redwood, the Eurosceptic former Cabinet minister and Tory leadership challenger,

said yesterday that he had urged the Government to contemplate up to three referenda: on the single currency; another on any constitutional change at this year's Inter-Governmental Conference; and another that could garner the British public's wider views about Europe. Mr Redwood has urged the Government to negotiate with Sir James because

either side in the referendum that is now expected to be promised within weeks.

The notion of Cabinet dissent stands in contrast to Mr Major's currently understood position – that if Cabinet decides a single currency was in Britain's economic interests then Cabinet would speak with one voice during the referendum campaign.

In the meantime, Malcolm Rifkind, the Foreign Secretary, said from a meeting of EU foreign ministers at Palermo, Italy, that the Foreign Office report on whether the Government should hold the referendum would be presented to the Cabinet in the course of the forthcoming week.

Kenneth Clarke, the Chancellor, has been resisting a clear commitment to a referendum, backed by Michael Heseltine, the Deputy Prime Minister.

Michael Portillo, the ultra-Eurosceptic Defence Secretary, has been opposed to the idea on the footing that it could encourage the view that the Cabinet would decide in favour of the currency, but is understood to have modified his views.

Mr Clarke joins other EU finance ministers in Brussels today to assess the latest forecasts for the European economy, on which a successful launch of the Euro in 1999 would depend.

The Government has decided to avoid a full vote when the IGC White Paper is debated next week, ordering only a light one-line whip to sidestep the embarrassment of being defeated on a full turn-out.

That did not stop a succession of Tory Eurosceptics displaying their angry advance opposition to what they expect will be a bland White Paper. Christopher Gill, the MP for Ludlow, formerly deprived of the party whip, said the Government should "get real", adding: "For a long time it has been thought that I, and others and indeed the whole nation, are going to be satisfied with rhetoric... but we're past that stage now, we want more than rhetoric, we want to know 'where's the beef'."

In the meantime, a further argument began to fester after a senior Eurosceptic demanded that Cabinet ministers should be allowed to campaign against each other once the anticipated plebiscite was up and running.

The Thatcherite anti-European Lord Parkinson, the former Conservative Party Chairman, to Cabinet colleagues to look at ways of buying Sir James off.

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A lifetime of lunch without peer

JOHN RENTOUL
Political Correspondent

Labour intends to use rights to dine in the House of Lords and attend the Queen's Speech as "sweeteners" to persuade hereditary peers to accept the abolition of their rights to speak and vote in the Upper House of Parliament.

According to an authoritative Labour source, the party will not make a definitive statement on the fate of hereditary peers' so-called "club rights" before the election – in order to use them as bargaining counter in ne-

gotiations on the future of the House of Lords if Labour wins.

Some peers might view such a suggestion as a form of blackmail or inducement. But the prospect of hanging on to the right to use the dining-rooms, bars and other facilities that form an integral part of the Upper House's sumptuous atmosphere could tempt some hereditary peers to accept quietly their fate rather than mount a noisy protest.

Others might be only too keen to grasp a negotiating possibility rather than give up all contact with what must rank

as the cheapest London gentleman's club of them all.

For some, the prospect of good seats at the State Opening of Parliament will not be something to be passed up easily, while others may well bargain to retain access to an excellent library and research facility.

The source said a Labour government would attempt to reach a "consensus" on the long-term future of the Second Chamber in talks modelled on the Scottish Constitutional Convention.

In the convention, Labour, Liberal Democrats, churches and others drew up plans for a Scott-

ish parliament – but the Tories and the Scottish National Party refused to take part.

Tony Blair, the Labour leader, last month confirmed that hereditary peers would lose speaking and voting rights if he became prime minister. But he also backtracked on previous commitments to a directly elected Second Chamber as the ultimate aim.

Labour leaders are concerned that simply abolishing the rights of hereditary peers will leave the House of Lords as a "super quango", opening Mr Blair to charges of cronyism.

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City ready for share plunge

IN BRIEF

Labour's rail vow

The strongest promise yet to re-

store Railtrack to public ownership

was made by Labour's transport spokesman. Page 6

Magazine retreat

The Government has decided to

oppose an MP's attempt to force publishers to carry age

warnings on teenage magazines

that contain sexually explicit material. Page 5

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The City is bracing itself for a stock market plunge when trading gets under way today in the wake of Friday's 171-point dive on Wall Street. But the general belief is that a likely fall will be limited to about 50 points below the value of the FTSE Index of the UK's top 100 companies, coming after a 48-point fall on Friday.

The Dow Jones fall, the third heaviest in Wall Street's history, was triggered by much stronger than expected February jobs figures in the US.

Cuts in the cost of borrowing and hopes of further reductions

have fuelled big stock market rises in the UK and the US over the past 15 months. In London, the stock market in early dealing on Friday rose 12 points following the interest rate cut of one-quarter of 1 per cent, but the economic data from the US and Wall Street's reaction unsettled confidence.

John Reynolds, head of strategy at NatWest Markets, said he believed a fall of between 30 and 50 points by the FTSE index was inevitable in early trading before Wall Street opens at 2.30pm British time.

"The general view among

economists was that the US economy was quite weak and that interest rates would be cut through March and April, but it would appear that the underlying economy has been more robust than originally felt."

Mr Reynolds pointed out American share prices were already at very high levels and a correction was always likely.

The UK stock market reached an all-time high last week, on 5 March, of 3792.5.

Dealers and analysts will be anxious for further data on the domestic economy this week.

"Cut too far", page 17

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2 news

Fayed offers to buy ailing paperMATHEW HORSMAN
Media Editor

The persistent would-be media baron, Mohammed al-Fayed, has offered to buy the ailing *Observer* title for £15m from the *Guardian* media group.

If successful, the Egyptian-born businessman intends to print the title at a yet-to-be-determined site, though sources close to him warn there could be an "inter-regnum" before the paper returns under new management. Mr Fayed is promising to take on current staff.

But the offer, discussed last week by members of the Scott Trust, the charitable organisation that owns the *Guardian* group, is unlikely to be accepted. The Trust is believed to be unwilling so far to abandon the *Observer*, which has lost £17m in two years and seen its circulation fall to 45,000 from 500,000 since it was bought from Lonrho in 1993 for £25m.

Peter Preston, editor in chief of both the *Guardian* and the *Observer*, is believed to have argued strenuously for more time to turn the title around.

The Sunday title's problems have generated tensions at the *Guardian*, where journalists are concerned that management will force budget cuts in order to offset losses of the sister publication. There is also concern that the *Guardian* group will attempt to integrate the two titles in a cost-saving exercise.

In an interview with *The Independent*, to be published in the media pages of section two tomorrow, Alan Rusbridger, editor of the *Guardian*, insists there are no plans to merge the operations – and that the *Guardian's* budget has been "ring-fenced". He concedes, however, that some limited integration may be contemplated.

Mr Fayed's interest follows several attempts to buy or launch a national newspaper. Last year, he was rebuffed by Rupert Murdoch's News International in efforts to save *Today* from closure.

Plans for a new Sunday newspaper, *Life on Sunday*, have been abandoned, although dummy editions were prepared.

Mr Fayed, the controversial owner of Harrods, has mounted a running campaign against the Government. He co-operated with the *Guardian* to expose Jonathan Aitken over the minister's controversial stay at his Paris hotel, the Ritz.

Last month, Mr Fayed announced the creation of Liberty, a company dedicated to expanding into media businesses. Its first venture was the relaunch of *Punch*.

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Docklands to get ring of steel

CHRISTIAN WOLMAR
Transport Correspondent

A ring of steel guarded by armed police officers is to be drawn round the Isle of Dogs in London's Docklands, similar to the one in the City of London, within the next few weeks.

The decision to introduce the scheme will raise civil liberties issues for the 17,000 residents as their cars will be filmed every time they enter the area. Only four check points are needed to guard the three square miles of the Isle of Dogs, where London's new business district has been built.

Developers and commercial property landlords have been arguing that the City is much safer than Docklands because it set up its own ring of steel three years ago following the Bishopsgate bomb. The London Docklands Development Corporation (LDDC) said: "The cameras are such high resolution that they can spot whether you had a shave that morning."

The scheme has been drawn up from a consultant's report commissioned by a working party from Tower Hamlets council, the Metropolitan Police and the LDDC and will be paid for by all three bodies along with local businesses.

Developers have been pressing for security to be tightened after last month's bomb which wrecked half a dozen office blocks and killed two people.

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About £1m is expected to be spent on the cameras and about half a dozen police officers are expected to be needed to guard the checkpoints which are likely to be operated only part-time.

Already many cars going into Docklands are being stopped and even buses entering the private Canary Wharf development are being checked by security staff.

Local residents are fiercely opposed to the scheme because of fears over traffic congestion. Kevin Young, chairman of a local residents' group, said: "I travel every day into the City and the ring is causing terrible delays there. In Docklands, traffic trying to get in will feed back onto the already very congested roads in the area."

Eric Sorensen, chief executive of the LDDC, confirmed that plans were at an advanced stage but had not been finalised: "If we go ahead, which is very likely, we will probably introduce the scheme in early summer."

He stressed that the LDDC was keen on avoiding traffic problems but said: "We need to make businesses and residents in this area confident that measures are in place to prevent a repeat of last month's bomb. People have to get used to being filmed. Already there are lots of cameras on the Docklands Light Railway."

Residents are also worried about the civil liberties implications. Mr Young said: "Hardly anyone lives in the City so that's not a problem. But here you've got thousands of residents and they won't want their every move filmed."

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news

Trimble mends fences with Bruton

WILL BENNETT

David Trimble, the leader of the Ulster Unionist Party, will meet John Bruton, the Irish Prime Minister, tonight in an unusual act of political fence-mending, born out of their mutual loathing of the IRA.

Earlier this year, Dick Spring, the Irish Foreign Minister, once described by the Ulster Unionists as "the most hated man in Northern Ireland", tried to hold talks with Mr Trimble but never got further than his answering machine.

Just a few days ago Mr Trimble declined to meet Mr Spring in Belfast and instead held talks about plans for elections with officials in London, to emphasise the Ulster Unionists' view that Dublin should not interfere in Northern Ireland.

But yesterday Mr Trimble praised a speech by Mr Bruton on Saturday in which he strongly criticised the IRA and Sinn Fein and challenged republicans "to stop thinking in terms of threats and start thinking in terms of peaceful persuasion".

Mr Trimble told Sky News yesterday: "I am absolutely delighted at what John Bruton said about the need for a new ceasefire that is genuine, on the need for negotiations with a complete absence of threats. I think that is quite right."

Tonight's talks in Dublin are a reflection of the common view held by the Unionists and the Irish government that Sinn Fein should be excluded from all-party talks due to start on June 10 until the IRA announces a renewed ceasefire.

The growing pressure on Sinn Fein to persuade the IRA to renew the ceasefire was shown when the US government confirmed Mr Trimble would be attending next week's St Patrick's Day celebrations at the White House while Gerry Adams, the Sinn Fein leader, has not been invited.

It is still not clear whether the small bomb which exploded outside Brompton Cemetery in west London early on Saturday morning was an IRA device.

A letter from James Goldsmith to the Candidates and Supporters of The Referendum Party.

The Government is indicating that it is moving towards granting a referendum. That's all to the good. But it must be genuine. Obviously the Government's commitment should be unconditional and the referendum would need to be held prior to, or at the same time as, the next General Election.

But an agreement to hold a referendum only if the Cabinet decides that sterling should be absorbed into the European single currency would be an empty gesture. That decision is unlikely to be made during the life of this Government. The commitment to hold a referendum following the General Election would be of limited value because a future Government would not necessarily be bound by it.

The referendum should allow for a full debate on the sort of Europe of which Britain wants to be part. There are two principal visions of Europe.

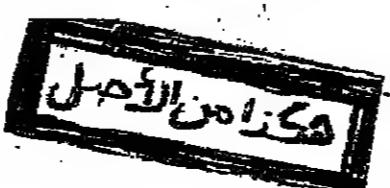
The original plan was that the European Community would consist of a family of nations which would pool some of their sovereignty, but only where necessary and never against the will of any nation. This was set out in the White Paper when Britain joined the EU (then the EEC), in which it was stated, "There is no question of any erosion of essential national sovereignty... all the countries concerned recognise that a commitment to impose a majority view in a case where one or more members consider their vital interests to be at stake would imperil the very fabric of the Community."

The other vision is that of a single European super-state into which would be fused existing European nations. This super-state would have one government, one parliament, one over-riding Court of Justice and so on. That is the Europe of Maastricht. Whether we like it or not, Maastricht has put us on "automatic pilot" towards such a single European state.

The referendum needs to ensure that people can decide which Europe they seek for Britain. The referendum on a technical aspect of the Treaty, without a full debate on the fundamental issue, would be no more than a continuation of the fudge and subterfuge which has led Britain into a European construction diametrically opposed to that which was approved during the 1975 referendum on our membership of the EU.

That is why we urge the Government not to duck the issue and not to believe that they can defuse the problem by making a hollow commitment. On the contrary, they must encourage a full, open and fair debate on the most important issue that any nation could possibly have to face.

If you wish to become a supporter of The Referendum Party please write to:
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Opt-out schools told spending spree must end

JUDITH JUDD
Education Editor

The body which allocates funds to opt-out schools has almost run out of money for new building projects. The Funding Agency for Schools' decision to abandon the annual bidding round for capital grants is a further setback to the Government's faltering grant-maintained policy.

Cecil Knight, chairman of the grant-maintained schools advisory committee, said the schools were disappointed but encouraged by the chance to use their initiative. "I am desperate for new classrooms. We will approach private sources for money and consider borrowing against our assets."

Mr Knight will soon have his prayers answered. Michael Heseltine, the Deputy Prime Minister, will shortly announce plans – opposed by Gillian Shephard, the Secretary of State for Education, to force schools to find private finance for major projects, and one of the major provisions of the Nursery Education and Grant Maintained Schools Bill, now going through Parliament, will allow schools to borrow against their assets.

Capital for new building has been one of the main inducements to schools to opt out, because capital funding for grant-maintained schools has been more generous than that for local authority schools.

Last year, 250 schools received a total of £60m in the annual bidding round. Since opting out began in 1990, schools have received around £200m for building projects.

The agency said it would

submit bids but the agency says that existing commitments to improving the 1,099 grant-maintained schools' buildings will mean that it has only enough money to carry out urgent health and safety work and to make provision for increased pupil numbers. It has £136m for capital spending in 1996-97.

A letter to chairmen of governors from Michael Collier, the agency's chief executive, says: "The chairman has made clear to ministers during recent weeks that many priority needs in grant-maintained schools will not be met in the short term. Nevertheless, ministers were unable to hold out any hope of additional funding being available to the sector."

Mr Collier adds: "It is clear that it is inappropriate to continue to offer grant aid for projects through the traditional bidding round. The settlement for 1996-97 and the guidelines for the following two years afford no scope to finance any bids from schools for 100 per cent funding, other than for basic need and for the most urgent health and safety schemes."

Martin Rogers of the Local Schools Information Service said: "This is what we predicted all along: that as the sector grew the money would run out. One after another, the funding advantages which lured schools into opting out are disappearing before their eyes."

Opted-out schools will continue to receive some money to spend on buildings through an annual allocation. The money for each pupil is being increased from £20 to £24, plus the existing grant of £200.

Last summer, 906 schools

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Branching out: Workers on the £100m Newbury bypass are facing a new tree-top protest. Having removed the humans, workers will now face objections of the feathered kind among the foliage after local people gathered at the weekend to put up nesting boxes. Photograph: Tom Buckingham

Magazine sex warning Bill loses support

PATRICIA WYNN DAVIES
Political Correspondent

The Government has reluctantly decided to oppose an MP's bid to force publishers to carry age warnings on teenage magazines containing sexually explicit material.

Peter Luff, Tory MP for Worcester, got widespread parliamentary support last month for his Periodicals (Protection of Children) Bill, which would have required publishers to carry cover-page warnings about articles that might be unsuitable for readers below a certain age.

He told MPs that the letters pages in magazines such as *Sugar*, *Mizz*, *It's Bliss*, *19 and More!* often degenerated into "squid filthiation, salaciousness and smut", using the kind of language more usually associated with the walls of public lavatories.

But ministers have decided after what a source said was much "heartsearching" that it would be impossible to police and enforce the age ranges. Publishers and some MPs argued that the Bill could even be counter-productive, tempting youngsters to read magazines in a higher age range.

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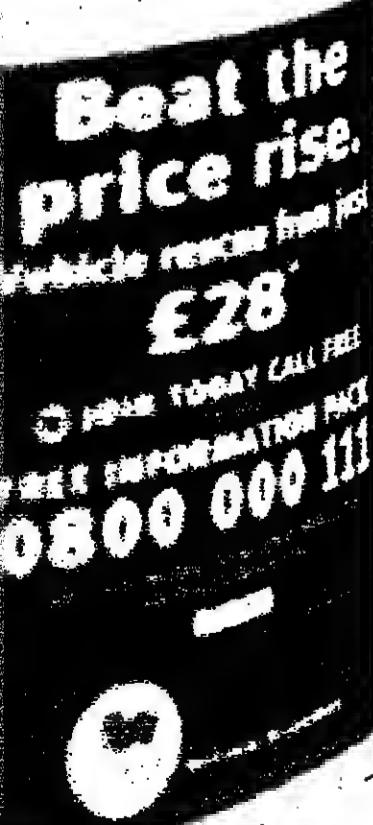
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news

Private sector presses for hospital cash deal

NICHOLAS TIMMINS
Public Policy Editor

None of the Government's flagship private finance deals for new NHS hospitals has been formally signed, it has emerged. The private sector is demanding statutory guarantees that the multi-million-pound contracts, which run for decades, will be honoured.

Stephen Dorrell, the Secretary of State for Health, is attempting to rush through legislation to provide the commitment required because other big schemes – including a £140m 700-bed greenfield-site hospital in Norwich and a 490m development at Swindon – are piling up on the stocks.

Without a change in the law, the new privately run and financed hospitals could face delay or even be cancelled.

Mr Dorrell has admitted that he is attempting to fill "a hole"

in NHS legislation. But Labour has accused him of committing "a gaffe" by unintentionally providing a blanket guarantee that the taxpayer will underwrite any borrowing by an NHS Trust when he lacks statutory powers to control that borrowing.

Under existing legislation, it is a matter of pure discretion whether the Secretary of State takes on the liabilities of a trust or any other NHS body when it is dissolved.

Bankers and others involved in the private finance deals are demanding that the Government should have a duty to do that if they are to sign up to deals on the lines of the £50m 150-bed redevelopment of St James's in Leeds and the £25m

redevelopment at Amersham and Wycombe Hospitals. Both have already been announced.

In anticipation of such private

finance arrangements becoming common, the Government has cut NHS capital spending sharply for this and future years. But without the guarantee, Labour claimed, Mr Dorrell cannot deliver and "the promises of new hospitals that he has made to local people are set to be broken."

The need is sufficiently acute for Mr Dorrell to have sought Labour assistance in putting through a four-clause NHS Residual Liabilities Bill to that effect, faxing Harriet Harman, his Labour opposite number, the night before its publication and seeking Labour's cooperation over what the department describes as a "technical" change.

Labour, however, will now oppose the Bill at its second reading tomorrow, and Ms Harman claimed that Mr Dorrell had "blundered" and "failed to think this through".

"This Bill creates an impossible problem for the public sector," she said. While the NHS has management controls over how much trusts can borrow, there is no statutory control save an overall ceiling of £5bn on their joint borrowing.

It is clear from our reading of the law that trusts can borrow without the Secretary of State's specific approval and yet this Bill would make the taxpayer liable. But why should the public sector meet these liabilities if it has not agreed to them in the first place?" Ms Harman added.

Despite being a former Treasury minister, Mr Dorrell appeared to be taking "serious risks" with public finances, Ms Harman said.

And while he could add powers to the Bill to control trusts' borrowing, that would remove a key element of the independence which ministers gave as a reason for creating them in the first place.

Threatened habitats: Conservation offers hope for rare plant species



Read all about: When pupils at Henbury View First School in Corfe Mullen, Dorset, wanted to build an Iron Age hut, staff at Lympstone Reedbeds Nature Reserve were happy to cut raw material for the roof. Photograph: Edward Sykes

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Signs of life on the spoil heap

NICHOLAS SCHOON
Environment Correspondent

Young's Helleborine is an undistinguished-looking orchid but it is very rare and in need of help.

It is only found in Britain. The total population is believed to number less than 700 plants, scattered among just six known sites. Its preferred habitat is tree-covered spoil heaps found beside old mineral workings.

Strangest of all is the fact that in evolutionary terms, it is brand new – a novel plant species which arose as recently as a few decades ago. Botanists believe it may have begun as a hybrid between two closely related orchids.

Like all of its kind, it relies on a fungus entwined in its roots to break down organic matter in the soil and provide nutrition. But while many orchids have flowers with clever and complex ways of attracting insects then sticking pollen on them, the greenish-white flowers of Young's Helleborine are self-pollinating.

The greatest threat it faces is the bulldozing of the spoil heaps it lives on, either for development or because their contents, once waste, are now useful.

One site in England was destroyed 10 years ago. Bardykes Bing, an old heap on the edge of Glasgow, now holds the biggest known population. But the orchid has no future there: a company has been granted planning permission to dig out the entire tip. It uses the red

minerals inside for laying clay tennis courts.

Fortunately, the company is sympathetic. It is giving the plant conservation charity Plantlife and the Scottish Wildlife Trust a three-year stay of execution to see if the orchids can be transplanted.

Young's Helleborine has been placed on a list of 116 rare or fast-declining British plant and animal species for which rescue plans have been proposed. The plan includes finding out whether there are any spoil heaps at which plants at threatened sites like Bardykes Bing could be transplanted. The implementation costs are put at just £3,000 a year.



Rare: Young's Helleborine

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NUM has only £804 to fight election

PATRICIA WYNN DAVIES
Political Correspondent

The once-mighty National Union of Mineworkers has just £804 in its political fund, causing mounting alarm among union-sponsored Labour MPs that thousands of pounds they expected to be available to fight the general election will no longer be forthcoming.

The paltry sum, to be recorded in the union's accounts for the year ending 31 March, stands in contrast to the £132,000 figure published by the Certification Officer, the union's financial watchdog, in December 1994. In the strike year, 1984, the union had almost £1.2m in the fund. This had fallen to £500,000 by 1989.

A separate political fund must be used for payments to constituency parties, MPs and election expenses. But none of the 12-strong group of NUM sponsored MPs — which includes figures such as the left-winger Dennis Skinner — or their constituencies have received any money for two years.

Under the so-called Hastings Agreement — which Labour's National Executive Committee (NEC) scrapped in favour of voluntary payments by unions to constituencies last month — the NUM used to pay 80 per cent of sponsored MPs' election expenses, worth about £4,000 per candidate, and £400 a year to each MP plus £500 a year to their constituencies. In practice, the MPs took no personal benefit channelling the £400 back to meet constituency expenses.

NUM membership now stands at barely 7,000, compared to 600,000 in the 1920s, when the union sponsored more than 40 MPs from pit constituencies and was the backbone of Labour Party finances.

Last December the sponsored MPs agreed informally

with Arthur Scargill, the union's president, to forgo current payments of the contributions and in effect allow the union to store them up for release at the time of the election.

But the MPs were horrified to learn that Mr Scargill told the NEC last month that the MPs had agreed to a permanent change in NUM rules giving the union complete discretion over what it pays out and to whom.

The discovery of the tiny sum of money in the political fund has set alarm bells ringing over the financing of a looming general election campaign.

The group is pressing Mr Scargill for a meeting to discuss whether there will be any money at all, and whether it would be paid to the constituency parties, as allowed under the new arrangements passed by the NEC last month.

One MP said of the rule change, passed at a special union meeting: "We didn't agree to a change of rule or agree that this should be a permanent situation. We were not told, not consulted, over changing the rules."

He added: "To pull the rug from under us at this stage would be a disaster. There could be an election this year. We don't have time to fundraise enough money."

The souring of a historic sponsorship tradition going back almost 90 years coincides with fears that Mr Scargill would attempt to use the union's funds to support his breakaway Socialist Labour Party which he set up as the left-wing answer to Tony Blair's "new" Labour Party. But few MPs believe he would garner sufficient support for this move within the union at large. They believe the difference between the £132,000 and the present £804 has simply been used for the union's own purposes.



Better times: Arthur Scargill, NUM president, now leads a union of barely 7,000 members.

DAILY POEM

Ida Borowicz

By Wanda Barford

*She had lived through the pogroms,
lived through the death camps,
lived through the labour camps.*

*But she died of joy at the rescue,
one dawn in an alien land — the moon still out —
when three angels dropped out of the sky.*

*snatched the people from their once-again persecutors
and flew them home,
her bullet-pocked body among them.*

*When they'd cried: 'Shalom, nobody move, it's us',
she'd leap up singing
and the machine-guns mowed her down.*

Wanda Barford's *Sweet Wine and Bitter Herbs* (Flammarion Press, £6.95) is her first collection of poetry and is a personal contribution to the growing body of literature about or inspired by the Holocaust. The book will be featured during Jewish Book Week, which begins today. Barford's collection records the experience of flight, exile and journeying to uncertain destinations that was the experience of her own family, seven of whom perished at Auschwitz, and to whom she dedicates the poems.

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Take aim: A passenger on Stena's Newhaven to Dieppe ferry takes advantage of the latest on-board entertainment, clay-pigeon shooting, introduced on the route for the first time at the weekend. Photograph: Andrew Hasson

Inventor fights Sony for patent

NICOLE VEASH

It will be a David and Goliath style contest. Today at the Court of Appeal in London, one of the world's most powerful corporations will do battle with a middle-aged inventor over patent rights for the Sony Walkman.

Andreas Pavel, 51, will try to prove he invented the portable stereo in 1977, two years before Sony launched it on the market.

The Walkman, the revolutionary electronic hit of the Eighties, has earned the Japanese company an estimated £3bn in worldwide sales over 17 years.

Pavel, who was once a television consultant, filed his patent for a "stereophonic reproduction system for personal wear" after conceiving the idea of a miniature cassette player as a way of listening to his favourite music, while on holiday in Europe.

His machine comprised a pair of headphones strapped to a bulky utility belt, which was

attached to a small cassette player, amplifier, batteries and a storage pouch.

In 1990 Pavel lodged his case to establish an infringement of a patent in the new Patent County Court, set up by Margaret Thatcher to make justice quick and cheaper for individual and small businesses.

The judgment went against him, with the court ruling the claim invalid because the technology was "obvious" and "no significantly inventive".

The electronics giant also secured an injunction freezing Pavel's assets and ordered cost against him of more than £1m.

Pavel, the youngest son of wealthy German industrialist, will be ruined if he loses or appeal.

One colleague said: "This has paralysed his life for years.

But if the judgment goes against Sony, Pavel stands to become a very rich man, by qualifying for royalties of between 1 per cent and 5 per cent in Britain, equivalent to £100m.

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Iran in the firing line: Proof hard to find in 'terror capital'

Big Martyr replaces cult of Big Brother

ROBERT FISK
Iran

Fathi Shkaki has joined the street-name martyrs of Tehran. A decade ago the honour was bestowed on Bobby Sands but now the name of the assassinated leader of Islamic Jihad for the Liberation of Palestine has been inscribed above the intersections of one of central Tehran's main highways.

He was murdered by Israeli agents in Malta in October, after he had boasted of his organisation's suicide bombing of more than 20 Israeli soldiers at a bus stop near Tel Aviv. So what, asks the visitor to Tehran, should we conclude from Tehran's latest street name? Support for "terrorism"? Or a harmless throw-back to the Iranian revolution's original support for "freedom-fighters"? I met Shkaki not long before he died and, here in Tehran, I found his face above me, painted on an apartment block. In Tehran, it's not Big Brother who looks down upon you, but Big Martyr.

Iran gave money to the families of Islamic Jihad's "martyrs", he told me. He visited Iran several times but insisted Iran gave little financial assistance to relatives of dead Islamic Jihad



Rafsanjani: Walking a fine line between radicals and reality

ary and whose murder provoked the latest suicide bombings — by a religious ceremony in Tehran a few weeks ago? But when an Iranian asks why Israeli settlers turned the tomb of Baruch Goldstein, the settler who massacred 29 Palestinians in Hebron mosque, into a place of pilgrimage, the answer does not seem so clear-cut. If a single Iranian group is supporting "terrorists" by honouring Ayash, are Israeli settlers not doing the same thing by honouring Goldstein?

The longer one stays in Tehran — supposedly the capital of "world terrorism" and a focus of Wednesday's US-Israeli-European-Arab summit — the more difficult it is to believe in the scenario espoused by the Israelis, the US State Department, CNN and others, a scenario of which European ambassadors here have grave doubts. It's not that Iran has a clear slate. It is a matter of record that four years ago, Hamas, Islamic Jihad for the Liberation of Palestine and all manner of Lebanese kidnappers met in Tehran for a conference supporting the Palestinian *intifada*. Hojatoleslam Ali Akbar Mobasher, Mehdi Kharoubi and the other radical clerics were there. Mr Velayati also

turned up and so did the President, Hojatoleslam Ali Akbar Hashemi Rafsanjani.

Then, he was in no position to stay away from such meetings. But today, Mr Mobasher and his friends are isolated, unable even to participate in last week's parliamentary elections.

Yet, in reality, this is not a monolithic state: there is no one overriding authority. There is Mr Rafsanjani, trying to improve the lot of women, gain acceptance in the West and break free of Washington's trade embargo. And there are more conservative clerics like Ali-Akbar Nateq Nouri, who favours a more closed, Saudi-like, repressive but still economically open society. And behind them, within some elements of the security apparatus, are men watching for any sign the country's leaders may betray the revolution, by forgetting allegiance to militant Islam, to the "opposition", to the martyrdom of the Palestinians.

It's the old story of walking a razor blade. Ignore the rubric of the revolution and you are doomed. Maintain the idiom and the world will accuse you of all its sins. Mr Rafsanjani addresses the world's press this morning and will once more have to walk the razor blade.



An Israeli soldier in Jerusalem yesterday boards a number 18 bus, the route attacked twice by bombers. Photograph: AP

Arafat arrests Hamas chiefs

PATRICK COCKBURN
Ramallah, West Bank

Yasser Arafat, the Palestinian leader, yesterday arrested three leading members of the military wing of Hamas, amid growing complaints from Palestinians on the West Bank that they are effectively besieged.

Under intense pressure from

Israel and the United States Mr Arafat has so far arrested 600 Islamic militants as well as taking over mosques, schools and charities run by Hamas. Palestinian security forces in Gaza say

they have arrested three men — Abdel Satar, Salem Abu Marouf and Kamal Khalifa — wanted for masterminding the suicide bomb attacks which killed 58 people in two weeks.

In Ramallah, the Palestinian town just north of Jerusalem, anger is growing against Israel rather than Hamas for the clampdown which has crippled business and made it difficult to get in or out.

"In the last two days we have got close to an explosion," said Mahmoud Jasser, an official of Fatah, Mr Arafat's political movement. "You can't move between the 465 villages on the West Bank. People can't work. Now they are saying that Israel is not serious about the peace process." He admitted that Fatah was divided on what line to take, which in practice means the

degree to which it is prepared to cooperate with Israeli security. A sign of the division between Palestinians is the row over the future of Jibril Rajoub, the head of the Palestinian security organisation for the West Bank, who at the weekend was denying that he had been fired by Mr Arafat. Based in Jenin he is the most powerful Palestinian in the West Bank and a veteran member of Fatah who spent 16 years in jail. On Saturday, however, he was reported to have been replaced by Hussein al-Sheikh, the police commander for Ramallah.

The reason for Mr Rajoub's differences with Mr Arafat probably stem from his failure to stop the suicide bombers, whose local organiser, Mohammed Abu Wardah, was a student at a teacher training college in Ramallah. Mr Rajoub has always advocated treating Hamas as errant nationalists and not as enemies.

In Gaza on Saturday night Mr Arafat met George Jenet, the

deputy director of the US Central Intelligence Agency. The CIA reportedly repeated Israeli demands that Mr Arafat arrest five members of Izzedine al-Qassam, the military wing of Hamas. The PLO leader appears to have decided that he has no choice — in the face of overwhelming Israeli and international pressure — but to clamp down on Hamas' military and civilian activities.

In reply, Hamas said in a leaflet that it had decided to resume its suicide operations because the Palestinian Authority had gone "too far in its attack on Hamas". It said that the summit of 31 countries on terrorism in Egypt on Wednesday is "a desperate attempt to save the Zionists from humiliation and lift their cowardly spirits which were destroyed by our martyrs' courage".

In Israeli occupied south Lebanon Muslim guerrillas yesterday killed two Israeli soldiers and wounded four according to pro-Israeli militia sources.

Israel warned over reprisals

SARAH HELM
Palermo

The European Union yesterday sought to shore up the Middle East peace process by issuing a carefully worded statement, condemning "terrorism in all its forms" and advising against extreme military or diplomatic responses which could further fuel the violence.

Foreign ministers of the EU, meeting in Palermo, acknowledged Israel's need to take "tough measures" to assure the

safety of Israeli citizens following the latest bombing outrages.

However, in a clear warning to Israel not to punish the Palestinian civilian population, the EU also recognised the "hardship" imposed upon the Palestinians, who have been sealed indefinitely inside the West Bank and Gaza Strip since the bombings, and urged Israel to allow humanitarian aid to enter the areas.

The ministers also voiced "concern" that Iran had failed

to condemn the bombings in Israel, perpetrated by the suicide bombers of Hamas, the Islamic Resistance Movement, but chose not to sever the so-called "critical dialogue" between the EU and Iran.

The last decision will anger the US, which argues that Iran is giving active economic and military support to Hamas.

Malcolm Rifkind, the Foreign Secretary, said that a forthcoming EU mission would call on Iran to show support for Middle East peace process.



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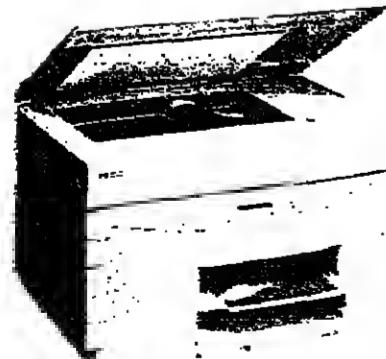
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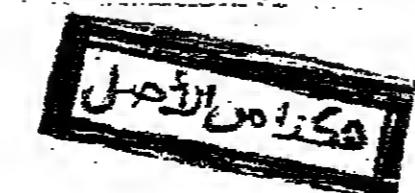
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international

Thatcher echoes Churchill's warning call

RUPERT CORNWELL

Fulton, Missouri

Killed bagpipes marched, choirs sang, and a motorcade of cars from the period rolled along the same route that Winston Churchill and Harry Truman took half a century ago. But since the year is 1996 not 1946, and since Margaret Thatcher was the guest of honour, the Irish Question also came to Fulton this weekend.

She was here, deep in the American mid-West, to give the lecture marking the 50th an-

niversary of Churchill's Iron Curtain speech. But an Irish-American contingent, including Matt Morrison, a former member of the IRA with 10 years in Long Kesh on his cv, was bent on something else: showing their feelings about a woman whom their nationalist cause loathes as few others. To be fair, they did not spoil the parade — they joined it.

The Rolls Royce Phantom bearing Baroness Thatcher and her husband Denis were supposed to bring up the rear, but the Irish tagged along behind.

Never in the history of human learning has so small a town owed so much to one speech. Missouri's Westminster Col-

lege is tiny, just 600 students. But for decades now, the great of the planet have trooped here — Harry Truman, Gerald Ford, Edward Heath, George Bush, and in 1992 the just-deposed Mikhail Gorbachev among them — to receive honorary degrees and hold forth on the state of the universe.

All because, on 5 March 1946, Winston Churchill came to deliver an address at what President Truman told him was "a wonderful school in my home state", in which he warned of an "Iron Curtain" de-

scending across Europe. Oddly, news reports the next day barely mentioned the phrase. Today it is history, and Fulton has built an industry upon it.

The Churchill scowl adorns billboards on the nearby interstate 1-70. A Wren church gutted by a German bomb in the Blitz, was shipped from the City of London and now stands as the Churchill Memorial. A museum of Churchilliana occupies what would be the crypt.

And to this English corner of a foreign field came Lady Thatcher. Her speech was

mixture of the familiar (a tongue-lashing for the wicked bureaucrats in Brussels) and the modestly new, as she urged a "New Atlantic Initiative" based on a revived anti-missile defence system, and a North Atlantic free trade area that would complete a retooled Nato all under

Churchill's suave uplands. So much has changed, she pointed out; and yet so little. Then the threat was Stalin's Russia, now it was "rogue states" armed with chemical, biological and nuclear weapons, at a moment when the West had

lost its resolve. But the mood is similar: "anxious and huffing times" according to Churchill in 1946, a "pervasive anxiety about the drift of events" for Lady Thatcher now. And her remedy remained the same: the might of America, faithfully supported by Britain. Once more the English-speaking peoples must lead the world back to Churchill's sunlit uplands.

The audience of 1,300, some paying \$37 (\$245) apiece, listened intently. Far more than Britons, Americans still admire Margaret Thatcher — last of the

great Atlanticists — as Churchill reincarnation. But the passion is fading. Some 3,000 at most lined the streets. Gorbachev drew 30,000 Churchill himself double that.

Soon though, Fulton's latest basking in vicarious glory was over. Even as Lady Thatcher was speaking, the vintage cars were on their way back to St Louis. The hunting had disappeared within the hour, as had Matt Morrison's uninsured Irish American caucus — heading home to Chicago, Kansas City and points beyond.

Saint of the City who stepped out of line

LOCAL HEROES : 7

Rafael Sencion

For the last year or so Rafael Sencion, a quietly spoken but serious-minded immigrant from the Dominican Republic, has not been behaving as he is supposed to. Acts of utter selflessness are out of place in New York; they tend to confuse people. Attacking the Mayor when you need his help is odder still.

Mr Sencion's story began last spring when budget cuts ordered by Mayor Rudolph Giuliani forced the city-funded housing association on the West Side of Manhattan where he worked to make 4 of its 12 staff workers redundant. Mr Sencion, then 39 and unmarried, was spared, but not so one of his co-workers, Larry Wood. Mr Wood had a wife, one child and a baby on the way.

And so for the selfless gesture: Mr Sencion concluded that Mr Wood needed to keep his job more than he did and so volunteered to walk the plank on his behalf. "Larry, you're about to have a baby," Mr Wood later recalled his friend telling him, "You can't lose your job right now."

So Mr Sencion left his \$33,000-a-year post and Mr Wood remained. It was not long, however, before the local press got wind of what he had done. Always hungry for a heart-warming story on their otherwise brutal beat, they gushed in praise. "The Saint of the City", blared the front page of *New York Newsday*.

If editors like such stories, so do politicians. The Giuliani administration jumped in to reward Mr Sencion with another job, with better pay, for the city's Housing Authority.

But then came Mr Sencion's second move. He wrote an opinion column in *Newsday* downplaying his own sacrifice and directing attention to what he believed was the much more important issue: Mr Giuliani's wrongheadedness in cutting funds for services to the city's poor in the first place. The headline on the piece: "If I'm a Hero, the Villain is the Mayor".

David Usborne

Mr Giuliani may or may not be a villain, but has not Mr Sencion been just a bit of a fool as well as a hero? He replied: "I want to be able to think and do and act the way I feel, independently of what the consequences might be."

Norman Siegel, director of the New York Civil Liberties Union, said: "With this you open the door to loyalty oaths, to blacklisting, where government will choose who can work and who can't based on their political views."

Mr Giuliani

may or may not be a villain, but has not Mr Sencion been just a bit of a fool as well as a hero? He replied: "I want to be able to think and do and act the way I feel, independently of what the consequences might be."



The eyes have it: A visitor takes a look at photos in a Marilyn Monroe mural in the reopened Museum of Contemporary Art, San Diego at the weekend
Photograph: Denis Pory

Texans discover home truths about US election rivals

JOHN CARLIN

Dallas

Only now that the Republican primary has been decided, only now we all know that barring death or illness Bob Dole will be the party's presidential nominee, has some light been finally shed on the true character of the candidates on the issues of substance that define and divide them.

Tomorrow is "Super Tuesday", the sweep of primaries across the southern United States which should finally set the seal on Mr Dole's challenge for the White House.

But ahead of the momentous occasion came an invaluable report in Saturday's *Dallas Morning News*, under the headline "Texans' Guide to the Candidates", telling us the favourite desserts, movies, songs and books of Mr Dole, Pat Buchanan, Steve Forbes and the man they are each presuming to displace, Bill Clinton.

The dessert list is the most telling: Mr Dole — dour, ancient, unimaginative — goes for chocolate ice cream. The fabulously rich Mr Forbes, battling to shrug off his quiche and croissant image, says he is an apple pie man. President Clinton, a glutton in his food as in his women, went for Peach Cobbler, a rich and creamy fruit tart.

Mr Buchanan's choice was the biggest surprise. Populist, demagogic, champion of the little guy, the candidate who urges his peasant-supporters to storm the bastions of corporate capitalism: he likes Grand Marnier for whom — to paraphrase the great Liverpool manager Bill Shankly — politics is more important than life or death, said his favourite was "You'll never walk alone".

The favourite books list was the least interesting, though once more it was the scourge-of-the-rich Buchanan who blew his cover by confessing that the last book he had read was *The Trap*, by Margaret Thatcher.

er's super-rich buddy Sir James Goldsmith. Mr Forbes, earning in his efforts to become a human being, chose *Vietnam* by a certain Bei Wattenberg. Mr Dole chose Lincoln biography, and Mr Clinton a book by his electoral spin doctor James Carville *We're Right, They're Wrong*.

It is no accident that the book preferences should have been the most perfunctory: few Americans read books. But the whole idea, of course, of making information available about personal tastes was merely to reach out to the electorate, to try and elicit the response: "Yeah! He's one of us!"

A veteran observer remarked that, with the exception of the incorrigibly blunt Mr Buchanan, it would be a mistake to imagine that the candidates had no thought long and hard before providing the answers. "They probably spent millions of focus groups to decide whether *Braveheart* or *Rob Roy*, chocolate or chocolate chip ice cream were the right responses," the observer speculated.

Of the bunch, the man they call Pitchfork Pat is the one who has spent the least on his campaign. Soon he won't have it to spend anything at all, allowing him to return once more to his Washington mansion, sit back and read his favourite millionaire authors while sipping on hi Grand Marnier.

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The 20 titles, listed on this page, range from the period drama of *The House of Eliot* to the black social satire of *Tom Sharpe's The Throwback*. The books are read by the authors or actors including Patricia Hodge, Geraldine McEwan, Derek Jacobi and Brad Pitt.

Prunella Scales takes us into the privileged world of a country house party and the London season in *Nancy Mitford's Love in a Cold Climate*. With her perfectly honed wit, Mitford dissects the eccentricities and foibles of the aristocracy in pursuit of gossip, amusement and passion.

Hailed as "one of the greatest American novels of this or any time", *All The Pretty Horses* is a poignant yet witty rites of passage adventure set in a Mexican wilderness.

A teenage Texan, despairing of a society that moves too fast, heads south with two companions. But what begins as an idyllic, often comic adventure moves into a darker, deadly reality. Brad Pitt brings to life a modern masterpiece.

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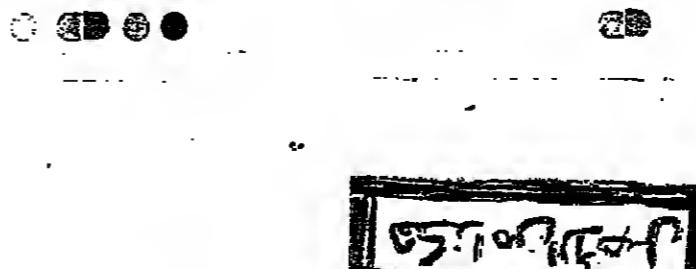
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7. Ruth Rendell, *Murder Being Done*, read by George Baker
8. Toni Sharpe, *The Throwback*, read by Simon Callow
9. David Guterson, *Restoration*, read by Rufus Sewell
10. Cormac McCarthy, *All The Pretty Horses*, read by Brad Pitt
11. Nancy Mitford, *Love in a Cold Climate*, read by Geraldine McEwan
12. Bernard Cornwell, *The Bloody Chamber*, read by David Rintoul
13. Joanne Trollope, *A Spanish Lover*, read by Patricia Hodge
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9. Rose Tremain, *Restoration*, read by Deniz Jacobs
10. Cormac McCarthy, *All The Pretty Horses*, read by Brad Pitt
11. Nancy Mitford, *Love in a Cold Climate*, read by Gillian Anderson



international

Taiwan seeks 'confidence amid storm'

TERESA POOLE
Taipei

"Against China Threats", read a large banner as more than 1,000 people marched through a rainy Taipei yesterday afternoon. "This island is already independent. Try the Spratly Islands [disputed islands in the South China Sea]," was written on a sandwich board worn by one young woman.

The demonstration, organised by the opposition Democ-

ratic Progressive Party (DPP), was to vent public anger at mainland missile tests off Taiwan's north and south coasts. The message of those tests, which started on Friday, will be driven home by naval and air-force exercises due to start tomorrow using live ammunition in the Taiwan Strait. China is seeking to put pressure on the Taiwanese, and the island's moves towards greater international recognition.

At the weekend, Peking an-

nounced that the new exercises would continue until 20 March, just three days before Taiwan's first democratic presidential elections.

President Lee Teng-hui, the front-runner in the polls yesterday, pressed along his campaign trail, telling his audience: "The 21 million people in Taiwan should find confidence despite a storm, and choose with dignity the first democratically elected president in the 5,000 years of

Chinese history." Although almost certainly the winner, Mr Lee is campaigning hard, saying he wants a mandate of more than 50 per cent of the vote.

The mood yesterday in Taipei was one more of anger than of fear. At the DPP rally, one university professor said: "The people are here to protest against the Chinese coercion."

Some people are scared, but not these people. My friends say they are going to fight back

against the mainland Chinese government. Once the missiles started, they got angry." The DPP's presidential candidate, Peng Ming-min, maintains that Taiwan already has de facto independence and that the island's government should drop the "one China" policy.

The marchers at the DPP rally were mostly younger Taiwanese, who cheered loudly as speakers with megaphones denounced China's provocations. Those addressing the rally all

spoke in the local Taiwan dialect, rather than standard Chinese. Both Mr Lee and Mr Peng are native Taiwanese, while the two other candidates are of mainland origin.

On Taipei's news-stands, the front pages of newspapers carry maps showing the site for tomorrow's military exercises, an area which reaches to a point about 40 miles from the Taiwanese-held Pescadores Islands.

But neither this nor the rain

appeared to be troubling the large number of people who were happily shopping in the city centre department stores.

One elderly man, mainland born but a resident of Taiwan since 1949, said he would vote for Mr Lee. "The mainland will not invade, Chinese do not eat Chinese," he declared confidently. Peking's belligerence is aimed at reducing support for Mr Lee, who it alleges is working towards independence for Taiwan.

IN BRIEF

Chechen retreat

Grozny — Russian soldiers searched for rebel fighters in Chechnya's capital after four days of clashes with the separatists. Local officials said most of the rebels had retreated, although sporadic fires were still operating in some districts.

"Many of the rebels have got out of town, although there is still fighting in two or three places," said Ruslan Martayev, spokesman to the Russian-backed Chechen government. *Reuter*

Leading article page 14

Hostages moved

Srinagar — The four hostages being held in Kashmir, including two Britons, are being shipped back to the Kashmir Valley from the mountains where they have been held for eight months, apparently in preparation for their safe release. *Mukhtar Ahmed writes. The state authorities believe that the shifting of the four tourists is imminent.*

Mladic goes skiing

Pale — Bosnian Serb military commander Ratko Mladic, who has been indicted for war crimes, was spotted skiing this weekend on the slopes above Sarajevo in a typical show of defiance against the world which condemns him. It was the first time in months that Mladic has been seen in public. *AP*

British soldier shot

Limassol — A British soldier was shot and slightly wounded yesterday when a group of drunken soldiers attacked a Cypriot policeman who fired warning shots, police said.

A police statement said the policemen intervened to break up a brawl between half a dozen British soldiers and local youths outside a pub in the predawn hours.

Hijack fails

Macau — Two Chinese couples carrying dynamite tried to hijack a Chinese domestic flight to Taiwan but were arrested when the plane landed in the southern city of Zhuhai. *AP*

Ugandans killed

Kampala — Christian fundamentalist rebels killed 21 people and kidnapped 52 in an attack on an army-escorted convoy of buses and other vehicles in northern Uganda.

Just 24 hours earlier, the Uganda People's Defence Forces said rebels had massacred 28 people. *Reuter*

Swiss save Romansh

Zurich — Swiss voters overwhelmingly backed a bill designed to preserve Romansh, a 2,000-year-old language spoken in a handful of Alpine valleys.

Reuter



Dark days: Members of the New Front Party staging the seventh day of a sit-in at a parliamentary committee room in Tokyo aimed at blocking passage of the annual budget. They oppose plans to introduce a 685 billion yen (£4bn) plan to wind up ailing firms. Photograph: Kimimasa Mayama/Reuter

S African 'bombers' break out of jail

ROBERT BLOCK
Johannesburg

South African police conducted a desperate manhunt yesterday to track down four right-wing militants who broke out of a jail near Johannesburg at the weekend.

The four men — all suspected of involvement in a bloody bombing campaign on the eve of the country's historic all-race 1994 elections — had sawn through two iron-grille gates and smashed down a steel-bolted door to make their escape.

The audacious breakout, less than three weeks before judg-

ment was to be announced in their cases, capped what appeared to be a heady weekend for South Africa's extreme right.

On Saturday, just hours before the escape was announced, Eugene Terre Blanche, the fire-breathing leader of the neo-Nazi Afrikaner Resistance Movement (AWB), emerged from months in the political wilderness to announce that the extreme right was alive and well and was planning "resistance" against the government of President Nelson Mandela.

"Peace is not coming, Presi-

dent Mandela," he told a crowd of belligerent supporters in Germiston, east of Johannesburg. "We are going on with the struggle and we will never ever accept this regime. Never."

He reiterated the right-wing call for a white homeland in South Africa, a move long rejected as unacceptable by Mr Mandela. Mr Terre Blanche, dressed in black fatigues, also suggested that if the government refused to release the bombing suspects there are many active police and military men who are sympathetic to the right-wing cause.

Before the speech, Mr Terre Blanche rode a black horse at the head of a parade of at least

200 khaki-clad members through the town centre as crowds and police and soldiers

were investigating the possibility that the escape of the four suspected bombers was accomplished with inside help.

The four fugitives were among 18 right-wingers charged with involvement in the bombing spree which killed 21 people.

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The strange death of civic America

Charities, clubs and even bowling leagues are collapsing in the US. So is trust in others. Robert Putnam names the culprit

For the past year or so I have been wrestling with a difficult mystery. It concerns the strange disappearance of social capital and civic engagement in the United States. By this I mean features of social life – networks, norms and trust – that enable participants to act together more effectively to pursue shared objectives.

Evidence for the decline of these phenomena comes from a number of independent sources. Surveys of average Americans in 1965, 1975 and 1985, in which they recorded every single activity during a day – so-called “time-budget” studies – indicate that since 1965 time spent on informal socialising and visiting has gone down (perhaps by one quarter) and time devoted to clubs and organisations is down even more sharply (by roughly half). Membership records of such diverse organisations as parent-teacher associations, the League of Women Voters, the Red Cross, trade unions and even bowling leagues show that participation in many conventional voluntary associations has declined by about 25 per cent to 50 per cent over the past two to three decades. Surveys show sharp declines in many measures of collective political participation, including attending a rally, a meeting about town or school affairs, or working for a political party.

Some of the most reliable evidence about trends comes from the US national opinion research centre in Chicago, the General Social Survey (GSS), conducted nearly every year for more than two decades. The GSS shows, at all levels of education and among both men and women, a drop since 1974 of roughly one quarter in group membership and a drop since 1972 of roughly one third in social trust. Slumping membership has afflicted all sorts of gatherings, from sports clubs to literary discussion groups.

Reversing this trend depends, at least in part, on understanding the causes of the strange malady afflicting American civic life. Many possible answers have been suggested for this puzzle, and they are worth looking at closely.

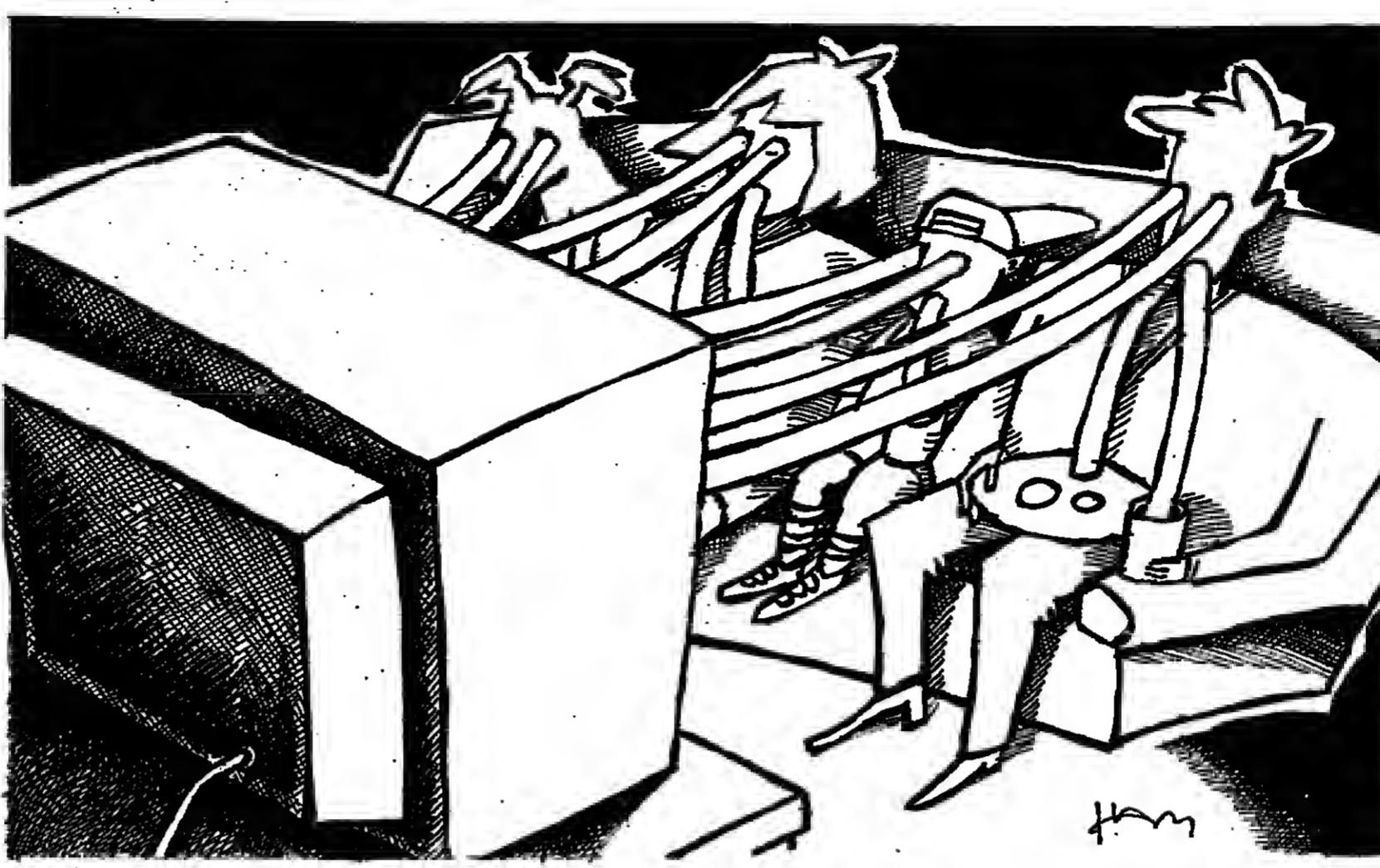
Studies have found that residential stability and home ownership are associated with greater civic engagement, but data from the US Bureau of the Census show that the number of people who have moved house has been remarkably constant over the past half century. In fact, to the extent that there has been any change at all, both long-distance and short-distance mobility has declined over the last five decades.

But if the sheer number of house moves has not eroded our social capital, could it be possible that we have moved to places, especially suburbs, less congenial to social connectedness? No: in fact, the downward trend in trusting and joining are virtually identical everywhere – in cities, in suburbs, in small towns, and in the countryside.

Americans certainly feel busier now than a generation ago. The proportion who report feeling “always rushed” jumped by half between the mid-1960s and the mid-1990s. And lurking nearby in the shadows are the economic pressures so much discussed nowadays, from job insecurity to declining real wages.

Yet, however culpable hubris and economic insecurity may appear at first glance, it is hard to find incriminating evidence. First, studies do not confirm the thesis that Americans are, on average, working longer than a generation ago.

But in any event, other data call into question whether longer hours at work lead to reduced civic life and social trust. The GSS figures show that employed people belong to more groups than those outside the paid labour force. Even more striking



is the evidence that among workers, longer hours are linked to more civic engagement.

So hard work does not prevent civic engagement. Moreover, the nationwide fall-off in joining and trusting is perfectly mirrored among full-time workers, among part-time workers, and among those outside the paid labour force. If people are dropping out of community life, long hours do not seem to be the reason.

What about financial pressures? It is true that people with lower incomes are somewhat less engaged in community life and somewhat less trusting than those who are better off. On the other hand, the downturn in social trust and civic engagement are visible among people of all incomes, with no sign whatever that they are concentrated among those who have borne the brunt of the economic distress of the past two decades.

The most significant social change of the past 50 years has been the movement of women out of the home and into the paid labour force. However welcome it may be, it is hard to believe that it has had no impact on social connectedness. Could this be the primary reason for the decline of social capital over the past generation?

Some patterns in the survey evidence seem to support this claim. Memberships among men have declined at a rate of about 10 to 15 per cent a decade, compared with about 20 to 25 per cent a decade for women. These trends, coupled with the obvious transformation in the professional role of women over this same period, led me in previous work to suppose that the emergence of two-career families might be the most important single factor in the erosion of social capital.

The most significant social change of the past 50 years has been the movement of women out of the home and into the paid labour force. However welcome it may be, it is hard to believe that it has had no impact on social connectedness. Could this be the primary reason for the decline of social capital over the past generation?

Married men and women do rank somewhat higher on both our measures of social capital. Married men and women are about one third more trusting and belong to about 15 to 26 per cent more groups than comparable single men and women. Thus, some part of the decline in both trust and membership is tied to the decline in marriage. On the other hand, changes in family structure cannot be a major part of our story, because the overall declines in joining and trusting are substantial even among the happily married.

As we saw earlier, however, work status itself seems to have little net impact on group membership. Indeed, the overall declines in civic engagement are somewhat greater among housewives than among employed women. The central fact is that the overall trends are down for all categories of women, but women who work full time may have been more resistant to this slump than those who do not.

Another widely discussed social trend that coincides with the downturn in civic engagement is the breakdown of the traditional family unit – mom, dad, and the kids. Since the family itself is, by some

It is as though the post-war generation was exposed to a mysterious X-ray which rendered them less likely to connect with the community

accounts, a key form of social capital, perhaps its eclipse is part of the explanation for the reduction in joining and trusting in the wider community.

Married men and women do rank somewhat higher on both our measures of social capital. Married men and women are about one third more trusting and belong to about 15 to 26 per cent more groups than comparable single men and women. Thus, some part of the decline in both trust and membership is tied to the decline in marriage. On the other hand, changes in family structure cannot be a major part of our story, because the overall declines in joining and trusting are substantial even among the happily married.

related with various measures of welfare spending or government size. Citizens in free-spending states are no less trusting or engaged than citizens in frugal ones.

In all our statistical analyses, however, one factor stands out as a predictor of all forms of civic engagement and trust. That factor is age. Older people are consistently more engaged and trusting than younger people, yet we do not become more engaged and trusting as we age. What's going on here?

There has been a long “civic” generation, born roughly between 1910 and 1940, a broad group of people substantially more engaged in community affairs and substantially more trusting than those who

Circumstantial evidence, particularly the timing of the downturn in social connectedness, has suggested to some observers that an important cause – perhaps even the cause – is big government and the growth of the welfare state. By “crowding out” private initiative, it is argued, state intervention has subverted civil society.

An empirical approach to this issue is to examine differences in civic engagement and public policy across different political jurisdictions to see whether enlarged government leads to shrivelled social capital. Among the US states, however, differences in social capital appear essentially uncorrelated.

Even though there are only 24 hours in everyone's day, most forms of social and media participation are positively correlated. Thus people who listen to lots of classical music are more likely, not less likely, than others to attend baseball games. Television is the main exception to this generalisation – the only leisure activity that inhibits participation outside the home. Viewers are homebodies.

An impressive body of literature suggests that heavy viewers are unusually sceptical about the benevolence of other people – over-estimating crime rates, for example. Heavy viewing may well increase pessimism about human nature. And it may increase passivity.

More than two decades ago, just as the first signs of disengagement were beginning to surface, the political scientist Ithiel de Sola Pool observed that the central issue would be whether the development represented a temporary change in the weather or a more enduring one in the climate. It now appears that much of the change whose initial signs he spotted did in fact reflect a climatic shift.

In an astonishingly prescient book, *Technologies Without Borders*, published in 1991 after his death, Pool concluded that the electronic revolution in communications technology was the first big technological advance in centuries which would have a profoundly decentralising and fragmenting effect on society and culture. He hoped that the result might be “community without contiguity”. As a classic liberal he welcomed the benefits of technological change for individual freedom – and in part I share that enthusiasm. Those of us who bemoan the decline of community in contemporary America need to be sensitive to the liberating gains achieved during the same decades. We need to avoid an uncritical nostalgia for the 1950s.

On the other hand, some of the same freedom-friendly technologies whose rise Pool predicted may indeed be undermining our connections with one another and with our communities. Pool recognised that social values can alter the effects of technology. This perspective invites us not merely to consider how technology is privatising our lives – if, as it seems to me, it is – but to ask whether we like the result: and if not, what we might do about it. Those are questions we should, of course, be asking together, not alone.

A fuller version of this essay appears in the March edition of Prospect magazine.

DIARY

Natural Law wins! (just pretending)

Time, it seems, for the Natural Law party, never previously elected to parliament, to rejoice! It appears that the BBC has more confidence in its electability than the rest of us. Two weeks ago, when the corporation held the first of its general election dress rehearsals, it underwent four different dry-run scenarios, one of which predicted that the Natural Law party would win the seat of Bolton North East – a manoeuvre not likely to improve the temper of that seat's present incumbent, Peter Thurnham.

In case you think the BBC was merely joking – stories about Peter Snow's swingometer breaking have tended to colour the serious nature of this exercise – let me reassure you that the Beeb seriously invests in the implications of these drills. David Dimbleby (left) grills MPs' researchers, who act as stand-ins for their bosses, even more ferociously than he does on election night (as apparently shaking researcher from Jack Straw's office will testify).

I understand that the BBC has never yet been caught out by an election. It has always been prepared for the right outcome. The four alternatives it proposes for the next election, therefore, are worthy of our attention. They are:

- 1) Labour landslide, winning 380 seats and a majority of 100;
- 2) The Tories hang on by their fingernails;
- 3) A Liberal Democrat breakthrough;
- 4) A hung parliament with a Labour majority.

The third scenario might seem remote, but the BBC knows better than to be hasty. Some will remember, with shame, how they nearly messed up in

1992. When asked to rehearse a Tory marginal victory scenario yet again, most staff yawned: “No, no – let's practise what's actually going to happen – let's go for the hung parliament.”

Gyngell wields the axe

There is an interesting update to my story last week about the Granada's late-night dating show *God's Gift*. (You may recall I revealed how the producers ran a special “gay” episode, which the advertisers Saatchi & Saatchi failed to pick up on and inserted advertisements for army recruitment into the commercial breaks.)

The episode caused something of stir, emerged in the offices of Bruce Gyngell, chief executive of Yorkshire & Tees Television. Having happily broad-

cast the first 10 (heterosexual) shows, and voluntarily broadcast a repeat of each on Saturday night, Gyngell took one look at the tape of the gay show and decided to axe the series.

His official line is that he was “concerned about the quality of the programme”. But Granada is not buying it. “You don't broadcast 20 hours of a programme and then decide the quality isn't up to it,” says an insider, adding disparagingly “it's very simple – the man is a complete prude.”

Name that star

Pew. After endless sleepless nights, the problem that has been pressing on my mind more than any other recently – how to pronounce Demi Moore's name – is solved. You pronounce it D'mee.”

Tricky's new party trick

Pop stars are too grand, you might think, to need to gather other people's private parties. Wrong. Last week at a birthday bash in North London, the front door was flung open after midnight to reveal the pop singer Tricky (a nominee in this year's Brit awards).

Danced by two blondes in silver halter-tops. That Tricky (otherwise known as Adrian Thaws) did not know a single person in the room did not seem to restrain his behaviour in any way. He marched straight up to the DJ, turned off the music, and proceeded to have a row. Loud and emotional, he was escorted off the premises. Next day, I'm glad to report, he issued a suitable apology. But no explanation. Very odd.

the actress (below) told the British actor Richard E Grant, who writes about their meeting in this month's *Vanity Fair* and appears to find her pedantry on the subject amusing. Which may strike some as rather odd-and-ketleish, since Grant is notorious in thespian circles for his insistence on punctuating his own name with that seemingly pointless initial.

Fight at the opera

It is not often that the nation's left finds but with the nation's luvvies, but in one corner of London there is a quarrel going on which has not only placed the local Labour council in an uncomfortable dilemma, but could also become embarrassing for Tony Blair.

Sadler's Wells theatre, which falls within the jurisdiction of Islington Borough Council, has applied for planning permission to convert the neighbouring residence in 181 Rosebery Avenue into extra dressing rooms.

The one obstacle to his proposals lies in the fact that 181 Rosebery Avenue, though owned by Islington council, has been occupied by a housing co-operative for the homeless run by the Vietnam war veteran Tim Clark for 16 years.

Clark, just to make things even more problematic, is also the membership secretary of the local Labour ward and has managed to get his support in his attempts to block the Wells proposals.

He has also written to Blair to ask for his personal endorsement, and is awaiting a reply.

“We've spent £25,000 over 16 years on

making this property suitable to run the co-operative,” snarls Clark. “How can a Labour council, in all honesty, turn against their own ideals?”

Crunch time is 4 April, when the council's planning committee is to meet. More reports, please.

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THE INDEPENDENT

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Rail safety must take precedence

Just sometimes, politicians should take heed of omens. There is nothing to link Friday night's crash near Stafford - involving two privately owned trains - with rail privatisation. There have always been occasional railway accidents which can rarely be attributed to a single cause. At first glance, this was a typical incident caused by a random combination of events, including the sheer bad luck of a mail train coming along so soon after a freight train had been derailed.

But the accident took place against the background of news that the Government aims to dispose of all the rail franchises before a possible general election in spring 1997. The conjunction of these two issues - the crash and the franchise plans - has set alarm bells ringing.

There are no good practical or commercial reasons for speeding up the sell-off programme, which has so far seen only two franchises privatised in the past two years. Indeed, with so few groups, apart from bus companies and management buy-out teams, expressing an interest in the sales, a slower pace might be good for competition. Other companies would have the opportunity to show an interest and enter the market.

Yet the Government seems to have overlooked such considerations. The reason is political rather than economic. Ministers are obsessed with selling off the network before the election, regardless, it seems, of whether overhasty decisions harm the interests of the travelling public.

This attitude is particularly worrying because of its possible implications for safety. Last week, the Health and Safety Executive sounded a warning. Reading the HSE report on Railtrack's relationship with its contractors, it is clear that the

pace of change in the railway industry is too fast, not only for comfort but also for safety. The report found that while Railtrack had set up an effective framework for maintaining safety, it had failed to monitor its workings.

The strain is beginning to show elsewhere in the railways management. Typically, the rail franchises are sold off, senior managers are carrying out three jobs simultaneously: preparing the railways for privatisation; drawing up their own management buy-out bids and running the services. This is already a heavy load; forcing the pace could lead to cracks appearing in the managerial systems, which until now have maintained our railways as the safest form of travel.

The push by Sir George Young, the Transport Secretary, to get the railways sold off as quickly as possible may also be politically naive. If Labour wins power and all the lines have already been sold, Labour would, for ever more, be able to blame the Tories for the state of the railways. If, instead, some lines were left with British Rail, it would be easier to rate the consequences of nationalisation against those of privatisation.

But the greatest danger to the Government would be if a bad rail accident could be firmly blamed on overhasty, poorly regulated privatisation. This would not only lead to an immediate halt on sales, it would also place an appalling black mark on the Government's record.

So far, such an accident has not occurred. But the Stafford crash demonstrates the potential danger of any suggestion that selling the railways is putting passengers at risk. The message to the Government must be: take it easy over privatisation and, above all else, put safety first.

Braced for the end of the Yeltsin era

Amid the ruins of Grozny, Boris Yeltsin's political hopes have all but perished over the past few days. The Russian president has looked ineffectual and powerless as rebels have once again captured parts of the Chechen capital. He is now embroiled, according to his opponents, in a "second Afghanistan" from which there is no easy escape. The manifesto failure of the Russian leadership over the past 15 months, either to crush the independence movement or to negotiate a political solution to the conflict, has shattered Mr Yeltsin's chances of re-election in June.

As a result, the West must brace itself for a Communist to take his place in the Kremlin. Opinion polls indicate that Russian voters will back Gennady Zyuganov, a lifelong Communist who opposes economic liberalisation in Russia and has called for a peaceful re-establishment of the former Soviet Union. The disastrous campaign in Chechnya - where 25,000 people have already lost their lives - is the final straw for most Russians already bitter about economic reform which, in the short run, has produced only pain.

All this is making Western governments feel worried. Leaders ranging from Helmut Kohl to Bill Clinton have made clear their preference for Mr Yeltsin, convinced that the Russian president, for all his faults and ill-health, offers the best chance of internal stability, reform and peaceful coexistence with the West. Only last week, the German and French governments announced a \$3bn loan to the Russians, on top of the \$10bn three-year

loan negotiated with the International Monetary Fund.

But the West should not be so concerned about the result of the election. For Mr Yeltsin no longer offers as much as he once promised - the brute force with which he has tackled the Chechen conflict has undermined his democratic credentials.

More important, Mr Zyuganov, his likely successor, is far less of a threat than appearances might suggest. For all his talk of resurrecting the Soviet Union, he is committed, at least publicly, to using only peaceful means. And a Russian army which cannot establish control even of Chechnya is in no position to realise territorial ambitions in, for example, Ukraine.

As for Mr Zyuganov's economic programme, it is equally unrealistic. Most people may be fed up with privatisation and giving market forces a free rein, but there is no alternative. Most state enterprises have already been sold, creating a powerful class of entrepreneurs and managers who would fight a policy reversal. Nationalisation would also be expensive, beyond the means of the Russian government, which would have to sacrifice its access to the IMF loans if it broke undertakings to limit state spending.

In short, Mr Zyuganov's rhetoric appeals to the nostalgia of an angry and disaffected electorate. But his room for manoeuvre is limited, if he is not to plunge Russia into bankruptcy and international isolation. Russia is indeed entering a period of political uncertainty. But the West would be wise to stay calm as Mr Yeltsin, its once great hope, faces defeat.



LETTERS TO THE EDITOR

How to prevent emergency patients being turned away

Sir: The shortage of intensive care beds has been highlighted by the sad tale of cancelled major operations, turning away organs and the shunting of a dying child across the Pennines. (report, 6 March)

I was asked what would happen if

to 50 serious casualties from a bomb explosion on a bus outside our hospital. I am sure the staff would be galvanised into action and the "Dunkirk spirit" would suddenly appear. Extra beds would be put up, nurses with previous experience of critical care would step forward from different parts of the hospital and the word would get around to retired nurses at home in the area.

Doctors would pull all together no matter their specialty and I expect the corps of administrators would drop their clipboards and help with bandages and the fetching of blood. Why can we not respond in a similar manner to small-scale emergencies?

I would suggest the following reasons: insufficient critical care beds; loss of highly-trained nurses due to the stress of continuous working in busy ICU wards; vested interest in maintaining boundaries around very highly specialised critical care units.

The first item requires money, but the other two need a change in nurse training, and, much more difficult, a shift in the attitude of some doctors and nurses. Critical care ranges from the very stressful intensive care of children, neurological cases and general medicine and surgery, to less demanding coronary care, recovery from routine surgery and high dependency. Usually each of the facilities is separately physically and even more so emotionally.

I propose the following establishment of a multidisciplinary nurse training course covering all aspects of critical care; rotate nurses to the separate units to widen and maintain experience

and interest and relieve stress; ensure that when the most appropriate unit is full, the patient will be looked after in one of the other units, with staff capable of moving temporarily, maintain the high-quality specialist skills in each unit with a core of experienced nurses and doctors.

These measures would ensure that the doors of major hospitals would remain open. Serious operations would not be cancelled at the last moment, vital organs desperately needed would not be turned away and dying patients would not be sent long distances in search of a special bed.

Professor Sir Roy Calne
Department of Surgery,
University of Cambridge
Clinical School,
Addenbrooke's Hospital,
Cambridge

Sir: Government ministers may be forgiven for thinking they have been here before. It was a

shortage of paediatric cardiac intensive care beds which provided the impetus for the NHS reforms. Do we now conclude that these reforms have been successful?

The failure of political will to address the two most important questions facing the NHS has led to the present situation. These

are: how much do we want to spend on the NHS; and what do we want to spend it on? With an ageing population and medical advances, the demand for hi-tech medical interventions will continue growing. But is it better, for instance, to try to ensure the survival of a 25-week pre-term infant or to improve psychiatric services, at present in chaos?

It is unrealistic to expect local purchasers to resolve these conundrums. Rather it depends on honesty and open debate from national politicians.

Dr J R D LAYCOCK
Southampton

Flexible labour or cheap labour?

Sir: Your report ("Flexible jobs seen as future face of labour" (8 March)) suggests that in ten years' time half the workforce will be working "flexibly", that is on short-term contracts, self-employed or part-time.

One great advantage to employers is that part-timers' pay is lower than full-timers, and since most part-timers are women, the labour force is even cheaper. In Great Britain, part-time women workers' pay is only 75 per cent of full-time women workers, and only 58 per cent of male full-timers. We will see a vast increase in the pool of cheap labour

LOIS STEWART
International Confederation of
Free Trade Unions
Brussels

Post letters to Letters to the Editor, and include a daytime telephone number. (Fax 0171-293 2056; e-mail: letters@independent.co.uk). Letters may be edited for length and clarity.

Repairing holes in the ozone layer

Sir: Your report (8 March) that an ozone hole is threatening Britain signals a need for politicians to reverse their present assumptions about what industry is allowed to do.

In the coming months a new pollution story on the scale of loss of the ozone layer is likely to "break". This is the threat from "hormone pollution" - a threat to the continued quality of life for future generations (sexual health, fertility and so on) for the human race, as well as for much wildlife.

Already the chemical industry is lining up to "rubish" an important forthcoming book on the threat of pollutants which are "hormone mimics" (*Our Stolen Future* by Dr Theo Colborn) and is arranging a hue and cry among researchers to look for a single cause and effect to "explain" the problem. This is an impossible quest as it is clear that many human-made chemicals have an effect in degrading sexual development and fertility.

The lesson is not to be surprised by the threat from pollutants that destroy the ozone layer, or disrupt hormones. The system has been to allow the use of chemicals so long as there were no known proven problems. Neither John Major nor, judging from his recent "environment" speech at the Royal Society, Tony Blair, has any intention of reversing this presumption. It must be reversed: only those chemicals which are proved to be safe should be allowable.

CHRIS ROSE
Campaign Programme and Communications Director
Greenpeace UK
London N1

Sir: The Montreal Protocol on ozone-destroying chemicals was held up as a shining example of how to tackle global environmental crises, yet health is still threatened by low ozone levels. Clearly we need far tougher measures to counteract ecological vandalism.

CHAS BOOTH
Edinburgh

A-level standards must be equal

Sir: The suggestion that it does not matter if grades in one subject at A-level are at a different standard from grades in another (letter, 8 March) is indefensible.

The idea that all university entrance tutors are aware of the differences between subjects and make offers which compensate is not borne out by our experience. It is true that offers to candidates for courses in universities which depend on abilities in mathematics and physics are lower than for many arts courses. However, students who are studying these "hard" subjects before applying for courses in law, medicine, accountancy and other high-demand courses are seldom given concessionary offers. Their offers are usually the same as those for students taking art courses.

V S ANTHONY
Secretary
Headmasters' and Headmistresses' Conference
Leicester

Sir: Well done Daniel Jeffreys for highlighting the treatment endured by Caroline Beale at the hands of the American judicial system. It defies belief how any nation claiming to be civilised can ignore the plight of a woman so clearly severely mentally ill and put her through a murder trial.

The main reason appears to have been to satisfy those who argue that whites enjoy a higher standard of justice in the United States than do non-whites. How can New York's judiciary justify using a British citizen as a pawn in American racial politics?

OWEN MORGAN
Malvern, Worcestershire

Bags of room

Sir: Unless reductions in funding for the Army are more severe than when I went on leave a week ago, the fears expressed by D Beesby (Letters, 7 March) that his grandson might be required to share a sleeping bag with a straight or gay soldier are not well founded. Every soldier is supplied with a sleeping bag and long will this continue.

Your readers might recall comparable misplaced alarm expressed by a worthy Victorian on reading in a military cemetery, the gravestone inscription *Here lies an Officer and a Gentleman*. "What are things coming to! They are now burying them two to a grave."

Mr S H LOUDEN VG
Principal Chaplain (Army)
Farnborough, Hampshire

Royal-blood

Sir: Has it occurred to republicans that to be acceptable to the UK as a whole a president needs to have some Scottish, Welsh and Northern Irish blood, as well as claiming to be English? Prince Charles would seem to fit the bill.

BARBARA MURKIN
Blakeney, Norfolk

Living in fear of Michael Howard



MILES KINGTON

My mailbag is full of letters from people desperate to know what they should do if they meet Michael Howard unexpectedly. Should they have a go? Should they notify the authorities? Or just ignore him?

To take just one example, I have received a letter from one old lady living in south London who says to me: "These days I am absolutely terrified to go out in the streets in case I should be approached by the Home Secretary, or someone looking like him. I feel I would be in danger of my life."

"I can't quite pin down my worries, but don't you think there is something a little terrifying about that smile? Something just a little manic?"

I would be worried stiff that he might ask me some question that I couldn't answer to his satisfaction, and that he would go berserk and do something unpredictable, or even worse become very oily and smug and do something entirely predictable.

"Of course, I do take elementary precautions. Each time I go out I make sure I have left all my money and valuables behind and I never talk to strangers and I don't take sweets from politicians and when

he is in prison, but maybe Michael Howard doesn't have the meanest intelligence, that would certainly play a part.

"What I am driving at is, if I were approached by Michael Howard in the street, should I try to keep him talking until help arrived, or should I pretend I didn't understand him and hurry on?"

I can see risks in both approaches. If I tried to keep him talking I might not be able to resist clutching him with my handbag at some of the twaddle he talks. If, on the other hand, I pretended not to understand him, he might think I was an immigrant of some kind, and try to have me deported on the spot, and then I might clout him with my handbag and be in trouble again.

"I take great comfort in knowing that I am not alone in this. My cousin Agnes agrees with me. So does my nephew Bob. So do most of the judges on England, apparently, as not a week goes past without one or other of them standing up in court and saying that Michael Howard holds crazy ideas.

"Of course, they don't say straight out that Michael Howard is crazy, because he might do something really out of order then, like sue them all for libel, but reading

between the lines that is what they are saying.

"In other words, we are in a situation where half my family and a lot of judges and most of the media and all the opposition are saying that Michael Howard is a menace, so you can understand why a little old lady like me is afraid to roam the streets when he is still at large, and why I am turning to you for help now."

I have written to the Ombudsman asking for advice but he is no good, all I said was, "Dear Ombudsman, What should I do if I meet Michael Howard in the street?" and he wrote back and said, "Dear Madam, I only deal with specific complaints so this is out of my ambit, however if you bump into Michael Howard between you and me I would go for the goolies and break his glasses as he bends over in pain, yours sincerely," and what kind of advice is that to get from the Ombudsman? Well, quite good, actually, but I would like to hear your thoughts on this as well.

"You're etc..."

Well, Mrs Peters, I have been in the writing game too long not to recognise a leg pull when I see it. Your letter is a complete sham, and I wouldn't have even printed it in my column if I had had time to write something of my own.

Only human

Sir: Richard Dawkins (letter, 8 March) should not attribute suicidal violence by Hamas bombers to religious teaching. As a biologist he must know that there is plenty of evidence of the recklessness of behaviour in many species.

The Prophet of Islam instructed his followers not to attack women or children, not to fight non-combatants and not to kill with fire. "The punishment reserved to God". If some Muslims have found pretences to go against these instructions, it is as human beings and not as Muslims.

P J STEWART
Oxford

Don't bet on it

Sir: If the possibility of a reduction in the £10 prizes for three winning lottery numbers is indeed as "very remote" as Camelot states (report, 7 March), then the chance of Camelot having to pay out some extra money is equally remote. They are in the gambling business, the heart of which is that you win some and you lose some. The skill is to set the odds so that you make a reasonable return in the long run.

It is not gambling when the book is so arranged that it cannot ever lose on a transaction.

JOHN S JONES
Lytham, Lancashire

comment

Muslims are loyal citizens**ANOTHER VIEW**
Zaki Badawi

It is open season on Muslims once more. Baroness Thatcher was yesterday warning in an apocalyptic speech about the dangers of "radical Islam". And Michael Howard, the Home Secretary, announced that the Government may tighten up laws to enable a clampdown on British Muslims alleged to be supporting the Palestinian extremists of Hamas.

As soon as a conflict arises involving Muslims anywhere in the world, however remote, British Muslims are named as the financiers if not the master plotters. But the suggestion that the Muslims of Britain could supply funds for military activities in the Middle East, the Caucasus, the Balkans and South Asia is laughable.

We are one of the poorest communities here and almost all our mosques, schools and welfare organisations are financed by our wealthy co-religionists in the oil-producing countries. The little spare cash that the British Muslims donate for outsiders is always marked for social and medical relief. Mr Howard acknowledged as much yesterday when he admitted that there was no evidence of money going from this country to Hamas.

The campaign to treat Muslim charities as suspicious will almost certainly strain the relationship between Muslims and Jews in this country and it will also heighten Muslim feelings of alienation.

I can well understand the anxieties of some Jewish leaders here about funds being supplied to sponsor the activities of the military wing of Hamas. But there is no evidence that this wing of Hamas has any active supporters in Britain. A national newspaper yesterday reported that a self-styled distinguished Muslim scholar said many Muslim organisations in Britain are collecting funds and recruiting British personnel for Hamas. This item of "news" was given considerable prominence. Yet there was no evidence to support any of his claims.

Why is a small vociferous minority more newsworthy than the majority of mainstream Muslims? These extremists arrogate themselves the right to speak for all Muslims, but they do not speak for the vast majority. Nor is there evidence that their fiery statements lead to violence; on the contrary, it is common for members of such groups to mature rapidly out of it and rejoin the mainstream.

Such people are a tiny minority. The danger is that if all Muslims are tarred with the same brush of condemnation, then moderate Muslims will be hampered in their capacity to mitigate the excesses of such extremism – and to mediate between such people and the mainstream community in a way which secular or Christian authorities would find more difficult. We are loyal citizens of Great Britain. Please treat us that way.

The author is Director of Studies at the Royal United Services Institute in London.

The author is principal of the Muslim College, London

The price of health and the doctor's dilemma

The rationing of the drug Betaferon – random, arbitrary and byzantine – stands as a paradigm of the modern NHS

At last we have the first effective drug specifically for multiple sclerosis. Betaferon arrives as a blessing, you might think. But not for the National Health Service. The story of this drug stands as a paradigm of the increasingly byzantine ways of the NHS. This is an everyday tale of rationing – random, arbitrary and anything but rational.

First, to sinking hearts inside the Department of Health, the drug got its licence in December, certifying that it was effective for the 10,000 people who have the relapsing-remitting form of the disease. On average, these patients suffer perhaps two or three attacks a year which can be terrifying, agonising and incapacitating. An attack lasts an average of two weeks, after which the disease retreats again, though not completely. Betaferon can reduce the number of attacks by one third. However, it makes stress that it is not a cure, nor does it delay the creeping onset of disability.

Julia Chapel is a typical patient. She fears she is losing her eyesight and finds she uses her wheelchair more often, as each attack leaves her worse than she was before. Her neurologist from Sheffield called her in to offer her Betaferon, though she had not asked for it. But when she arrived at the clinic to start the treatment, he apologised, saying he had been rather naive and there was no money after all. Now she is campaigning vigorously in her local MS group. "Just in our group in Barnsley there are about 50 patients who would benefit. The health authority says it will spend £50,000

on the drug next financial year, but that's only enough for five of us," she says. "Who is going to decide who gets it?"

It costs roughly £10,000 a year per patient – £100m to give it to all those who might benefit. MS patients' organisations were well prepared in advance for a battle to ensure they got it. As a result of their vociferous demands, as soon as it was licensed the NHS executive sent out guidelines to every health authority telling them to prescribe it, though only through hospital neurologists – a sensible proviso, since GPs would have little way of knowing which patients would benefit.

What has actually happened? The guidelines have been widely ignored by many health authorities. In Scotland, the Department of Health has announced that none of its 25 neurologists may prescribe it except in limited trials. All over the country the MS Society has reports that patients are being refused the drug, despite the express wish of their neurologists to prescribe it.

Take Nottingham as an example. It refused to allow its neurologists to prescribe it on cost grounds. Professor Lance Blumhardt was incensed. "I've got 80 to 100 patients lined up for whom it would stop some of the most severe attacks, but I haven't got the money," he says. "This hospital has a £12m deficit."

The row that followed led the Nottingham Health Authority to a bold decision: hold a public meeting to try to explain to patients and their doctors why they could not have the drug. Dr Sarah Wilson, the local director of public health who makes the key pur-



POLLY TOYNBEE

The administrators talk to them in the language of priorities – not pain

chasing decisions, was one of the administrators who talked to them in the language of priorities. Betaferon for all suitable patients would cost Nottingham £4.5m. "The £10,000 cost for each MS patient would buy four hip operations, or 10 cataracts," she told them. "It would pay for most of a district nurse who would treat a great many people or it would pay for a lot of physiotherapy." The MS patients were, of course, unmoved as was their champion, Professor Blumhardt. Strong views were expressed and as a result the health authority went away and found some extra money.

However, it is far too little money for all Professor Blumhardt's patients. "It would be enough for about 10 patients, I think," he says gloomily. "But how am I to choose

which ones should get it? In the United States they sometimes select patients by lottery. Why not?"

But the rationing problem is not even that simple. "They have given me some money to add to my budget, but it isn't ring-fenced. I wish they had ring-fenced it." He sighs heavily because that puts the rationing decision right back where he does not want it in his hands. His neurology service is the worst in Western Europe, with only six neurologists for a 2.2 million population. He talks weary of a long list of desperate needs – of badly treated epilepsy, dangerous aneurisms, a new drug for motor neurone disease, stroke patients in great distress.

So, what will he decide? Probably he will decide to spend the money elsewhere. Selecting a handful of MS sufferers does not seem "worth the candle" when other needs are yet more pressing. Yet he feels deep sympathy for his MS patients.

Is this a new and sudden rationing shock? Not really. The NHS has always rationed, but under the old system these things were discussed behind closed doors. Now the Patients' Charter mentality has been unleashed. All the talk of purchasing and cost has made patients well aware that everything has a price-tag. But is this really the right way to decide who gets what?

The minister passes the buck to the NHS executive, who smartly hands it on down to the health authorities. If they are quick-footed, they do what they did to Professor Blumhardt and push it on down to him. He is the one who has to eyeball his patients in

his clinic, so he can take the rap and carry the can. "Sorry, Mrs Smith, you just aren't in quite as much pain as Mr Brown next door." That sounds quite reasonable. After all, who better than he to judge between the needs of his own patients?

Except that as far as the individual patient is concerned, this random way of rationing means there is no longer a national health service at all. Instead, you have to choose where to live according to the illness you suffer. IVF, grommets, and the drug Epo for dialysis patients, are all key treatments only available according to local whim. Maybe towns should have big signs up: Welcome to Liverpool, Land of the Lung Transplant! Or Kidderminster for Kidneys! Middlesbrough for Metabolics!

Doubts have been raised about how effective betaferon is – not least by the Consumers' Association's *Drug and Therapeutics Bulletin*. At its best, it is so far only a palliative drug. But that is beside the point. MS patients have had their expectations raised, only to be told they cannot have it. Perhaps the drug should not have been licensed. Or the NHS should have been bold enough to announce that no one would get it.

Who should do the rationing? The politicians – it is their job to set the policy and take the flak. Instead, at the very word "rationing" health ministers turn tail and hide under their desks. People increasingly understand that the NHS is cash-limited and cash-strapped, but they cannot understand or accept gross and arbitrary geographical inequalities in the treatment they get.

Time for Mr Major to choose?

Lady Thatcher wants to polarise the issue of European defence but things are now more complex, argues Jonathan Eyal

Lady Thatcher's speech in Fulton, Missouri this weekend, marking the anniversary of Winston Churchill's "Iron Curtain" oration half a century ago is unlikely to be rated as a major contribution to a new world order. The Baroness's popularity on the rubber chicken circuit in North America is unassassable, but most of what she had to say was said before, and much of what she wants the West to do has already been done.

Predictably, Thatcher's harshest warnings were reserved for those seeking to establish a European defence identity; for her, the creation of such a structure can only supplant the United States and lead to disaster. Yet, even on this subject, Thatcher is out of tune with current reality: the British government's White Paper on Europe, scheduled to be published this week, will outline a stance towards European defence that is not very different from the former prime minister's vision. More importantly, the Labour Party has few differences with the Government on this score, and Britain is actually winning the defence argument in Europe.

For much of this decade Europe has been paralysed by an arid dispute chiefly between three countries. France argued that the continent must start providing for its own security to compensate for the inevitable withdrawal of the American military commitment. The British retorted that such measures could unravel the North Atlantic Treaty Organisation. And the Germans claimed that it was possible to square the circle by having both a strong European defence and a strong Nato with the Americans at the same time.

The outcome of this fight was the 1991 Maastricht arrangement which pledged EU members to a "common defence policy, which might in time lead to common defence". But at the same time, and largely at Britain's insistence, foreign and security policies were left outside the EU centralising activities; the Western European Union (WEU), an organisation which predates and remains separate from the EU, was tasked with co-ordinating the continent's military activities.

It is true that some, particularly



Looking both ways: Britain needs a defence policy that includes both Europe and the United States

the Germans, have pushed over the last few years for the creation of a European defence identity, complete with a central political command in Brussels. Much more will be heard of such proposals when the EU's intergovernmental Conference begins in Italy later on this month.

But the experience of Yugoslavia and the sheer bureaucratic complexity of a European defence identity will mean that the result will ultimately be nothing more than an informal and *ad hoc* military arrangement between France, Germany and Britain (the serious military players on the continent) and the US which simply cannot be decoupled from Europe.

Those still pushing for an eventual European army like to claim that, as the debacle in Yugoslavia indicates, Europe will never be taken seriously unless it has the necessary military force in order to impose its will.

Few arguments could be more misconceived. A European military structure, if it is to be taken seriously, will require a massive investment in airlift and naval capacities, satellites and intelligence-gathering

facilities. Far from increasing their defence expenditure, all European countries are reducing their budgets and the Germans have done most of the cutting.

Europe failed in Yugoslavia not because the EU was divided but precisely because the continent tried to speak with one voice and ended up with irrelevant policies. For the first six months of the Balkans war the EU tried to keep the country together without having the slightest idea how this could be done. The Balkans disaster is therefore a warning of just how flawed security policies run by consensus can actually be.

The idea that Europe must have the capability to act on its own is based on the assumption that the continent will be subjected to crises where the Europeans feel threatened but the Americans will somehow have no interest. But nobody has ever identified a realistic scenario where this would apply.

Russia, the Middle East, North Africa and the Baltic states are all potential flash points, yet in all of them the US has at least as big a strategic stake as the Europeans.

The European efforts in Yugoslavia collapsed because Europe failed to co-ordinate its actions at every step with Washington; a superpower such as the US simply cannot be absent from handling such a conflict.

Despite the cacophony and the diplomatic noise which now surrounds the question of Europe's defence identity, a consensus is being created – and one which any British government could accept. The WEU cannot be incorporated into the European Union because the membership of the two institutions does not overlap: the EU has neutral countries which are incompatible with a military alliance.

The French have understood that there is no substitute for American military might, and President Chirac has practically abandoned the Gaullist policy of keeping a distance from NATO. Furthermore, everyone accepts that a senior figure should be appointed to represent the EU in future crises; as long as this person co-ordinates policies rather than negotiates security deals, even Britain should be happy.

But, most importantly, Britain cannot be outvoted on security issues. While in monetary affairs it is possible to envisage a scheme from which Britain is absent, no coherent military structure is feasible without the British armed forces which are some of the most substantial on the continent.

In short, Europe's future security arrangement will be a compromise which maintains the freedom of states to act on their own, but also allows for joint action. The ultimate lesson of Yugoslavia is that if France, Britain, Germany and the US agree on a course of action, nearly everything is possible; if one of these states seriously disagrees, almost nothing can be done. No amount of bureaucratic "construction" from Brussels is likely to change this equation, if only because in defence matters military hardware speaks louder than any vision.

The debate about Europe's defences is now almost entirely fuelled by the extremes, people like Baroness Thatcher and Chancellor Kohl, two personalities who curiously complement each other. Kohl genuinely seems to believe that

cricketing world. Hanging on desperately for a new contract by averaging just enough; and then waiting for a benefit or a new contract – all the while possibly keeping out the enthusiastic youngster. In fact, the benefit system is holding English cricket back. Benefits put a major block in front of young players trying to further their careers: they may prevent a player from moving counties to further his ambitions, and thereby creating a transfer system which would increase opportunity for everyone.

There is a lot of talent in England – a lot of good people working very hard to breed successful young players. Counties should not be scared to give them an opportunity. English cricket at present is reminiscent of an unkempt garden. Give it a good weeding and allow the talent to bloom. Enthusiasm will return when the players learn the difference between work and play.

The writer is a former England all-rounder and is now coach of the South African national team.

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How to make England's cricketers match fit

Cricket creates more debate, more contention and more ideas than most other sports. It also creates more experts, most of whom are never more anxious to air their views than when the national side is going through a rough time, such as it is today, after being knocked out of the World Cup by Sri Lanka on Saturday.

For years, administrators have been searching for the "ultimate" system to remedy the problems of English cricket. The majority of these experiments were made in the interests of bringing back spectators to the first class game and, latterly, to improve England's chances against international competition.

There was a time when changes seemed to happen every year: bonus points, overs in a day, seams on the ball, limitation on overages.

Now the cry is that the County Championship is a poor competition; that there are too many teams; and that to motivate players whose teams are out of the running, there should be two divisions with promotion and relegation. My belief, however, is that whatever system is

employed to keep the cricket "cottage industry" alive, it is the people within the system who should examine their contribution.

Every cricketer wants to play first-class cricket, and joins a county side not to make a fortune but because he loves the game. What destroys that initial enthusiasm? Lack of opportunity? Lack of skill? Negativity by his employers and/or coaches? Probably a combination of these, and some more. The system may contribute, but where is the pride and guts, the British bulldog spirit?

Whatever the sport comes up with, players, coaches and administrators should make plans to deal with it. For example, if the season is demanding physically and mentally, fitness training must start earlier. Players should be paid to attend these sessions. Skills training should start at least two months before the season is scheduled to begin. Players should be schooled technically to deal with all the different aspects of the game. Batting practices, for example, should concentrate more on remedial work for an individual player's deficiencies. Bowlers should

not complain about a two-hour net session but should be fit enough to be able to practise their skills to a high degree.

One of the perceived problems in English cricket is the lack of quality bowlers. What do they mean by quality? Trueman and Statham, Willis and Botham had two great abilities: apart from being quick they were able both to move the ball and bowl accurately. One of the reasons England has not had recent success overseas may be that its bowlers lack the necessary accuracy and control. The player should be able to cope with the demands he faces. What has to be guarded against is the player who performs once and then rests on his laurels for three to four weeks.

There is a danger that there are too many "hangovers" in the

cricketing world. Hanging on desperately for a new contract by averaging just enough; and then waiting for a benefit or a new contract – all the while possibly keeping out the enthusiastic youngster. In fact, the benefit system is holding English cricket back. Benefits put a major block in front of young players trying to further their ambitions, and thereby creating a transfer system which would increase opportunity for everyone.

The writer is a former England all-rounder and is now coach of the South African national team.

Markets braced for further slide on rate worries

DIANE COYLE
London
DAVID-USBORNE
New York

Financial markets are expected to plummet when they reopen this morning after Friday's dramatic decline on Wall Street, echoed in London before it closed for the weekend.

Analysts predict an opening drop of 50-100 points in the FTSE 100 index after Friday's 4.5-point fall to 3710.3. A further decline in the Dow Jones index, which fell 171 points to 3,470.43 on Friday, would take London even lower.

On Wall Street, analysts are braced for further losses as the stock and bond markets, though few expected Friday's mini-meltdown to develop into a full-blown crash. The worst anyone was predicting was a 10 per cent decline of the Dow Jones industrials by the end of the slide.

"The market has been so strong over the last year, a decline of 10 per cent should not be a surprise to anyone," noted Arnold Kaufman, editor of the Standard & Poor's *Outlook* newsletter. "I think this is the 10 per cent decline, but not the

end of the bull market. I think an investor should probably ride it out."

The Tokyo stock market is also likely to fall sharply. It is already overshadowed by concerns about whether the package to write off bad housing loans can be passed before the end of the financial year in two weeks' time. Japanese investors are also expected to sell dollars, according to Stephen Hannah, director of research at the Industrial Bank of Japan. He forecast that "the dollar will be in trouble" and this could knock on the pound.

The sharp sell-off in shares at the end of last week, which followed figures showing a far bigger than expected increase in US jobs in February, reflected the view that hopes for lower interest rates have been overtaken. With important economic statistics on both sides of the Atlantic due this week, the markets could be volatile.

Steven Bell, director of research at Deutsche Morgan Grenfell, said that the equity market was overvalued, "because it has been assuming we will get the best of both worlds - strong profits growth and

lower interest rates. Now it is becoming clear that we will get one or the other."

Mark Cliffe, international economist at HSBC Markets, said: "Markets will be under a lot of pressure this week. People have gone back to the drawing board with their views about interest rates." The end of May was now the earliest opportunity for another move.

Figures on UK industrial output, unemployment and earnings this week, along with US inflation and production statistics, will provide crucial evidence about the strength of the British economy. If they suggest the slowdown in growth is coming to an end, following recent evidence that consumer spending and the housing market are picking up, hopes for any further reduction in the cost of borrowing will be dashed.

Some economists already read the Chancellor's decision last week to reduce base rates by a quarter point to 6 per cent as a cut too far. Mark Brown, head of strategy at the broker Hoare Govett, said: "Policy priorities have shifted towards getting the economy going rather than controlling infla-

tion." Futures markets signal that base rates are now expected to rise later this year.

One key figure this week will be underlying growth in average earnings, due on Wednesday. This has stuck at 3.25 per cent for six months despite an upward trend in pay settlements during

that time, and most analysts expect it to remain unchanged. However, a combination of higher settlements and higher financial sector bonuses this year could soon ratchet the figure up to 3.5 per cent.

The latest report from the independent researchers Incomes Data Services comments: "When figures are published for February 1996 they will show that huge bonuses were being paid out in the City of London based on last year's trading."

New figures today from the Finance and Leasing Association reveal high demand for

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business¹⁷

THE INDEPENDENT • Monday 11 March 1996



Jitters: anxious traders on Wall Street after the Dow-Jones index plummeted 171-points

Photograph: Reuters

Smurfit ready to give up power

RUSSELL HOTTEN

Michael Smurfit, chairman and chief executive of the Jefferson Smurfit paper and packaging empire, is ready to bow to institutional pressure for him to give up some of his power.

Mr Smurfit is planning to announce, possibly as early as this week, the creation of a new role of chief operating officer and president, which would enable him to relinquish his chief executive's title.

Jefferson Smurfit's key shareholders, particularly Standard Life, will be watching closely to see who is appointed and the effect on Mr Smurfit's influence in the boardroom.

The move is further indication of the way some of the UK's larger fund managers are flexing their shareholder muscles.

There was speculation last night that Ray Curran, recently elevated from chief financial officer to finance director, was emerging as the frontrunner for the chief operating officer's job. However, the appointment of someone from outside the company is preferred by some institutions.

Mr Curran's appointment as finance director is thought to have been made after pressure from Irish and UK fund managers worried about the Smurfit family's power on the board. Four Smurfs hold influential positions at the company, and a fifth, Michael Smurfit Junior, is managing director of a key US subsidiary.

Alastair Ross Goobey, head of Hermes, one of the country's leading fund managers and a Jefferson Smurfit shareholder, has publicly voiced his concerns about corporate governance.

He said last night: "We prefer to have the role of chairman and chief executive split. But much more important is the balance of power on the board."

Jefferson Smurfit has beefed up the number of non-executive directors with the appointment last month of the former Irish Prime Minister Albert Reynolds.

Standard Life, which owns 2 percent of the UK stock market, has been in the forefront of campaign by institutions to influence corporate governance at large companies. It is one of several investors to have passed on its concern to the Smurfit board.

Mr Smurfit is believed to have been planning to announce a new chief operating officer at the same time the company unveils its results on 10 April. However, sources said yesterday that this could be brought forward.

MPs summon BZW chief in Stock Exchange sacking row

JOHN EISENHAMMER
Financial Editor

The investigation into the turmoil at the London Stock Exchange will take a new turn with the decision by MPs to summon Donald Brydon, deputy chief executive of BZW - described by one MP as the "smoking gun" in the row over the running of the exchange. Alongside the recall of John Kemp-Welch, the exchange's chairman, the influential Treasury committee inquiry is set to turn into a public slanging match.

The moves mark a new determination among MPs to probe the inconsistencies in accounts of the controversial sacking at the beginning of this year of Michael Lawrence as chief executive of the exchange. "I think Mr Kemp-Welch has a lot of explaining to do. There are a lot of discrepancies about

which have very serious regulatory implications," said Matthew Carrington, a Conservative member of the select committee.

During his recent evidence to the committee, Mr Lawrence accused Mr Brydon - a key figure with one of the City's most powerful market-making firms - of mounting a coup against him, in order to keep control over the exchange.

"We are very concerned about Mr Lawrence's accusations," Mr Carrington said.

If the Stock Exchange is run by a clique of market-makers who can block important decisions, then it is very worrying to have a regulator run by the people it is supposed to be regulating. We have to get to the bottom of this."

His concerns were echoed by Diane Abbott MP, one of the Labour members of the select committee. "If we're looking for a smoking gun, it's BZW," she added.

The MPs' decision to call BZW coincides with growing tension inside the Stock Exchange's board, with several members expressing private frustration at Mr Brydon's perceived conflict of interest.

Mr Brydon is a member of the exchange board, and the key appointments sub-committee which fired Mr Lawrence, as well as the steering committee deciding on the proposed radical reform of the shareholdings traded in London.

Mr Brydon and BZW are among the strongest opponents of the Stock Exchange executive's preference for switching from the City's traditional trading - dominated by the market-making firms - to the order-matching system common in most other financial centres.

During the recent consultation on the trading reform proposals, a number of integrated City investment banking houses submitted two differing opinions from their broking and asset management arms. But some board members noted that the response from BZW Investment Managers - which differed from BZW's rejection - was never sent.

The Treasury is also planning to call Angela Knight, Economic Secretary to the Treasury, to give evidence, supported by the senior civil servant in charge of City affairs, Steven Robson.

He is thought to be high on the list drawn up by headhunters seeking a replacement chief executive. Mr Robson was already approached for the job last time round, but is believed to have turned it down because of concerns over the exchange's strategy.

BT fires new salvo in Oftel war of words

MARY FAGAN
Industrial Correspondent

Sir Peter Bonfield, BT's chief executive, has warned that proposed changes in the regulation of telecommunications could damage the entire industry and hamper investment in the UK. Sir Peter also said the BT board was "not averse" to an inquiry by the Monopolies and Mergers Commission if it decided the moves by the regulator, Don Cruickshank, were bad for the company.

Sir Peter, who joined BT less than three months ago, warned that while he hopes for a realistic outcome on both the main issues at stake, the company may end up at the MMC. This would be the route taken when BT cannot agree on Oftel with changes to its licence.

In his most public statement on the debacle so far, he said:

"The board has shown in the past that it is not averse to the MMC. The board has told me that they are not averse to going this time as well if they think the alternative is bad for the company and the industry." He added that many of BT's insti-

tutional shareholders were extremely concerned and had written to Oftel outlining their objections to the plans.

BT believes that its profits could be halved if Oftel pursues the pricing proposals. Under the proposals, BT's rate of return would be cut to 9-13 per cent from around 15-17 per cent at present. The company alleges that it faces increased risk in a rapidly changing market place and that, if anything, a higher return is justified.

The issue must be resolved by mid-year with a view to the introduction in 1997 of new price controls. At present the cap on BT's overall "basket" of services is inflation minus 7.5 percentage points.

On anti-competitive powers, Oftel intends to replace a range of licence conditions with a more general power allowing Mr Cruickshank and his successors to clamp down much more quickly on the company.

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IN BRIEF

GKN and Vickers talking of link

GKN and Vickers are talking about restructuring their defence interests. Sir David Lees, chairman of GKN, said in an interview with the *Independent* that there was some logic in laying bits of GKN and Vickers together. Sir David has ruled out a long-rumoured bid for Vickers, but believes co-operation between the UK's four remaining manufacturers of armoured vehicles is essential.

Lloyd's names hear the worst

Most of Lloyd's of London's 34,000 names will find out this morning the first estimate of how much it will cost each of them to draw a line under their affairs at the troubled insurance market. Some 9,000 names will face demands for a final cheque costing £100,000, to cover all their future liabilities from Lloyd's old policies, which are being hived off into a special company, Equitas. Interview, page 19

C&W turned down BT merger offer

Cable & Wireless has turned down a merger offer from BT which would have created the world's largest telecommunications company. Rod Olsen, C&W's chief executive, said there had been an approach last year, which was rejected. There were no current negotiations.

Rolls-Royce and GE collaborate

Collaboration between Rolls-Royce and General Electric on an aero-engine programme for the US Defence Department may be unveiled as soon as today. The announcement will detail roles within a cross-company team led by GE and including Allison, the US engine maker bought by Rolls-Royce last year.

BET steps up Rentokil battle

RUSSELL HOTTEN



Focused on growth: John Clarke, the BET chief executive

ument asks: "How could Sophus Berendsen participate in discussions about textile rental?"

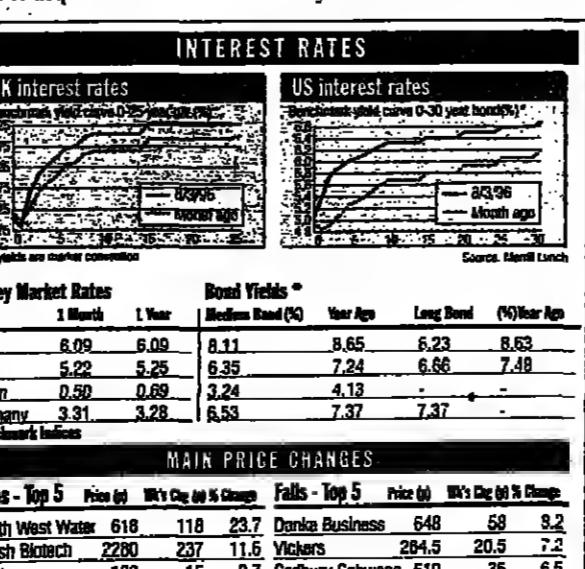
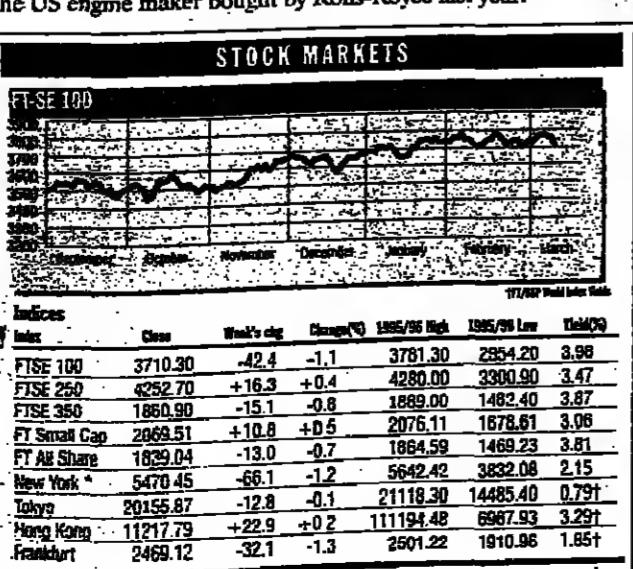
BET also claims Berendsen, whose Rentokil stake would be diluted to about 35 per cent if the takeover succeeds, backs the bid because it wants the flexibility to reduce its stake further.

The document sought to

spell out how BET had been turned around under its chief executive, John Clark. It said earnings had risen by more than 25 per cent in the 18 months to 30 September 1995 and had recently grown substantially faster than those of Rentokil. This clear strategy contrasted sharply with the blurred focus of Rentokil's diversification efforts, it said.

BET has been restructured after a 1980s spending spree left it with high debt and a sprawling collection of interests. The company said it had been transformed into a group which was debt-free, tightly controlled and strategically focused.

Sir Christopher Harding, BET chairman, said directors had no hesitation in recommending rejection of the offer. Rentokil's chief executive, Clive Thompson, said: "We are studying the BET document, in the same way as BET shareholders, in the search for new information. So far this is proving difficult."



business

TODAY

Companies

Fairey, the engineering and aerospace group, is expected to announce strong results for 1995, backed by its international businesses and a recovery in the electric power sector. NatWest expects a 32 per cent rise in pre-tax profit to about £34m. Interims: Cortes Intl, DCS Group, Domestic & General, Redrow, Kleinwort & Dev Fund. Finals: British Vita, DRS Data & Research, Fairey, Forward Technology, Hibbertian, Hisco, Select Insurance, Laporte, Lopex, Merchants Trust, Partco, Pendland, Persimmon, Refuge, Roxboro, RPS Group, Rugby Group, Spandex, Spirax-Sarco, Suter.

AGMs: Ford Motor Company, Ovocu Resources.

EGMs: Secure Retirement.

Economics

A busy week for economic data kicks off with producer price figures for February and January's industrial output. Chancellor Kenneth Clarke said on Friday that these were

behaving better than expected. Analysts have pencilled in a decline in the index of prices paid for fuel and materials, taking the year-on-year rate of increase below January's 3.7 per cent, and at most a small increase in prices charged at the factory gate, reducing their annual rate of inflation below January's 3.6 per cent.

The consensus is that industrial output was probably flat in January, with manufacturing output up slightly after December's shock fall. This would

leave manufacturing production lower in the three months to January than the previous three, but most economists are optimistic that it will begin to recover.

US markets will focus on household figures for December and January, with any new data under close scrutiny after Friday's nosedive on Wall Street after the stunning employment report. Higher mortgage rates and bad weather are likely to mean weak figures.

TOMORROW

Companies

TI Group is expected to announce solid results, with 1995 pre-tax profit forecast at between £176m and £182m, compared to £153m last time. However, the good news is probably already reflected in the share price.

Prudential, Britain's biggest life insurer, is expected to an-

nounce operating profits of £740m to £750m, compared to £603m last time. Interims: Everest Foods, Headway, M&G Recovery Inv Trust, Thorntons.

Finals: Billam, Britton, Calder-

burn, Capital Corp, Christies Int'l, CMG, Cordis, Cresticare, Delta, Dunedin Income Growth, Expatem, Fidelity Japanese Values, Holliday Chemical, Huntingdon Int'l, Kalon, M&G Income Inv Trust, Pacific Assets Trust, Parity, Prudential, TI Group, Williams Hide, Yorkshire Fine Texts.

AGMs: Euro Disney, Shani Group, Witton Investment Economics.

Construction orders (January).

WEDNESDAY

Companies

Reed International, in the spotlight last week after shelving its plans to sell its consumer books division, should encourage with

robust pre-tax profits in 1995 of £116m, ahead 18 per cent, according to NatWest. Analysts will focus on signs that the company has identified an acquisition target in professional and electronic publishing.

Interims: Ricardo, Shire Pharmaceutical, Throgmorton Dual Trust.

Finals: Charles Baynes, BPP, Brent Int'l, Church & Co, Eng-

lish China Clays, Haden Maclellan, Heywood Williams, JIB Group, Lambert Howarth, Radius, Reed Int'l, Roseby, Schroders, Tilbury Douglas, Waste Recycling.

AGMs: Cartmore British Income, London Scottish Bank, EGMs London Scottish Bank Economics.

Last month is expected to have seen the 30th decline in the unemployment count, although Deutsche Morgan Gräfinell puts the expected fall at only 5,000 after January's drop of more than 29,000. The growth in underlying average earnings in January is likely to reflect the upward trend in basic pay settlements and bonuses.

A European Union conference on the single currency opens in London.

THURSDAY

Companies

A chance to see the damage

caused to Coats Viyella, Britain's largest textiles firm, by a hot summer and sluggish consumer confidence. Analysts expect pre-tax profits to fall to between £142.5m and £147.5m (£152.4m last time).

Interims: BZW Endowment Fund, P&C High Income, Sir David, Television Corp.

Finals: Anglo American Industrial, Biotech Int'l, BTR, Coats Viyella, CU Environmental Trust, Davis Service Emes, Eco, L&G, Mayflower, Micro Focus, MTL, Pittards, Reckitt & Colman, Steel Burnill Jones, United Biscuits, Wathmoughs, A Wood & Son.

AGMs: Loades, Lookers, RGMs: Bolton Group, MTM, Economics.

US factory gate prices point to further moderation of inflationary pressures.

FRIDAY

Companies

Aspen Communications, the media group, is expected to announce pre-tax profits of £3.8m, up 65 per cent, accord-

ing to NatWest. Margins have probably improved even in printing and publishing, where the cost of paper is expected to have had an impact.

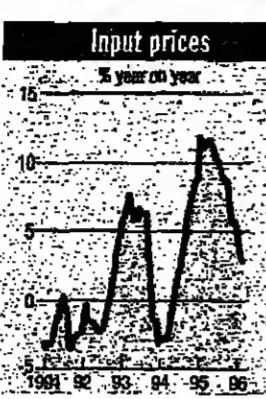
Finals: Aspen Communications, British Data Mgmt, Molins, Wembley.

AGMs: Alexander Holdings, Central Motor Auctions, Eurocamp, Johnson Fry Second Utilities Trust, Perry, Pohang Iron & Steel, Scrif, T Walker.

Economics

Further key February figures for the US economy could trigger a reaction in Treasury bonds and shares. Consumer prices are likely to show a smaller increase than January's 0.4 per cent, leaving consumer price inflation unchanged at 2.7 per cent.

Industrial output is expected to rebound by about 0.5 per cent after a sharp drop in January. But markets are watching out for a bigger increase — mirroring the surprise rise in the number of new jobs revealed by last Friday's figures.



Source: Databank

Market Values

Banks, Merchant

Banks, Retail

Breweries, Pubs & Rest

Building/Construction

Electronics

Diversified Industrials

Engineering Vehicles

Extractive Industries

Food Manufacturers

Food Services

Gas Distribution

Health Care

Household Goods

Index-linked

Shorts

Undated

Market Values

Alcoholic Beverages

Automobiles

Automobiles, Motorcycles

Automobiles, Parts

Automobiles, Vehicles

Automobiles, Vehicles, Parts

Automobiles, Vehicles, Parts, Components

Automobiles, Vehicles, Parts, Components, Components

Automobiles, Vehicles, Parts, Components, Components, Components

Automobiles, Vehicles, Parts, Components, Components, Components, Components

IN BRIEF

BILL MARTIN

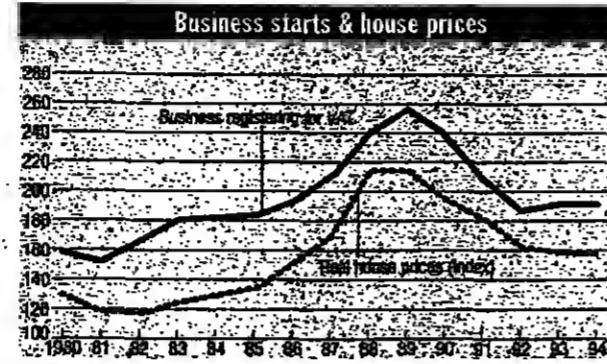
The Bank blends together various sources of uncertainty and is insufficiently precise about the circumstances in which inflation could head north or drop south'

I wonder if you were aware that Rorschach tests had suddenly become *de rigueur* among British policy-makers. Rorschach, you will recall, was the Swiss psychiatrist who discovered the diagnostic value of inkblots. He would invite unsuspecting patients to describe his inky creations in the hope of revealing their subjective fantasies. The response "it looks like a serial killer" risked 10 years incarceration in the sanatorium. Patients soon learn the advantages of replying in terms of butterflies and birds.

Rorschach tests may have fallen out of favour in some psychiatric circles but clearly not at the Bank of England. In its latest Inflation Report you will find several examples disguised as graphs depicting the Bank's latest inflation projections and the range of uncertainty surrounding them. The charts fan out as time passes and the uncertainty deepens. By 1998 they encompass inflation forecasts as high as 4.5 per cent and as low as 0.5 per cent, all in shades of vermillion and violet. What does this image remind you of, old boy? Beware the response "a hand-waving economist". It guarantees 10 years incarceration in the UK forecasting industry. It is therefore preferable to reply that the chart represents a probability distribu-

tion of projected inflation outcomes—an attempt by the Bank to convey a sense of forecasters' uncertainty. But this does not get us very far. We know that forecasts are inherently uncertain and that the crystal ball gets ever-cloudier the further we peer into it. The problem is that the Bank's approach blends together various sources of uncertainty and is insufficiently precise about the circumstances in which inflation could head north or drop south. This is a pity because in all other respects the Inflation Report is a paragon of analysis, the best thing to emerge from the Bank in years.

Presenting uncertainty is not easy but the Bank could do better by regarding its report



as a navigational chart to point out the rocks on which the economy might founder. It could present several forecasts, clearly conditional on different states of the world and on different assumptions about the way the economy behaves. This would clarify the nature of the uncertainty and quantify those aspects which pose the greatest threat to the Chancellor's inflation goals. Had this been done, the Chancellor might have had a better idea of the risks he was running by cutting interest rates in the face of strong monetary growth. To be sure, the Bank agonises over the growth of broad money supply in the UK, now running at an underlying 10 per cent. But nowhere does the report quantify possible linkages between money supply and activity which would be the precursor to rising inflation.

Had it entertained (as one possibility) a more monetarist view of the economy, the Bank might have identified linkages along these lines. The first concerns the build-up of bank deposits held by financial institutions. The growth of wholesale bank deposits accounts for nearly 3 percentage points of the 5.5 percentage point jump in broad monetary growth over the last year. The key question is whether the extra deposits are a genuine increase in the demand for money or an excess of supply. The chances are

it is an excess. Institutions have acquired cash as a result of Britain's merger and acquisitions boom. Companies have bought equity with cash institutions, in turn, have deposited it with banks who were keen to raise deposits in order to lend to acquisitive companies. The Bank describes this merry-go-round in detail but does not consider how the excess cash could be expunged—for example through capital outflow being placed in assets abroad which could be less vulnerable to inflation. The first risk posed by high monetary growth is therefore to sterling.

The second consequence concerns the stock cycle, which may prove to be a less painful affair than many suppose. Everyone knows that manufacturers have excessive inventories, the result of an unexpected shortfall in export demand. The surveys suggest that industry should already have de-stocked, but so far, this does not appear to have happened. Gross domestic product is still rising, as are stocks. If the figures are to be believed, it may well be that companies' buoyant liquidity is enabling them to take a more relaxed view about the speed with which to adjust their stock overhang.

The third consequence concerns the housing market and its wider role in the economy. The build-up of personal bank and building society deposits is the other main component of the acceleration of broad money supply. If this is also in excess of re-

quirements, it may well be switched into other assets which offer a higher return. In the housing market, expectations of rising prices against a background of falling home loan rates could trigger a sharp jump in transactions and then in prices. The process would be partly self-feeding—higher prices inducing higher demand—the mirror image of last year's depression in the housing market. There are already signs of recovery. According to the Halifax figures, house prices rose at an annualised 3.5 per cent in the three months to February.

Consumer spending would undoubtedly respond. But the stimulus of rising property values should not end there. The scale and growth of small business is highly dependent on the value of collateral tied up in housing, a consequence of banks' lending policies. Research by economists at Exeter University suggests that a 10 per cent increase in the value of housing equity would result in a 5–6 per cent rise in small business starts.

There is a real risk that private-sector spending will take off rapidly in the next 12 months, consumers' spending growth of 4 per cent being well within the bounds of possibility. Come to think of it, this may be the hidden message in the Bank's Rorschach charts. The blot on the landscape is simply another dose of inflation.

Bill Martin is chief economist at UBS

The chairman of GKN is satisfied that a crucial restructuring is complete as he prepares to hand over to a new man. He talked to **Russell Hotten**

Time to step aside after an industrial revolution

Stepping across the threshold of GKN's headquarters in St James's, London, is like entering a private club. A doorman usher visitors into a creaky old lift that slowly rises to the executive offices. A Butler is on hand to serve tea while you wait in oak-panelled rooms lined with oil paintings. The Guest family, who 100 years ago established what became GKN, would not have felt out place lounging on the sofas in the drawing room. This outpost of yesteryear gives no suggestion of the transformation that the old firm of Guest, Keen & Nettlefolds has undergone in the 25 years that Sir David Lees has been there.

"I think that 1995 was something of a landmark for us," says Sir David. "Last year, represented the end of a major phase in terms of our investment programme." With the job of restructuring completed, Sir David, 60, is going part-time, becoming non-executive chairman when GKN recruits a new chief executive. It will be a tremendous wrench, handing over to someone else, but at least he has the satisfaction of "quit-

ting" while ahead. As the 61 per cent jump in profits last Thursday revealed, GKN is in good health and the company has never been higher in the FTSE 100.

Now GKN has been streamlined into three core international businesses—automotive, defence, business services—the question is whether the company is now fully focused.

"Yes," maintains Sir David. "Though the business must continually evolve to stay ahead."

There will be no fourth leg added

THE MONDAY INTERVIEW
SIR DAVID LEES

to the company, but as GKN has fared in the bank most observers are expecting some acquisitions. The company has long been talked of as a possible bidder for the tanks-to-cars group Vickers, though Sir David expresses mild weariness at being asked about subject again. "It is just the Friday night rumour mill doing the rounds. There is no logic in GKN owning Vickers' Rolls-Royce cars, for instance. We are not interested."

But he frankly admits there is scope for collaboration between their defence businesses, as part of the necessary consolidation going on between arms companies throughout Europe. "If you agree that European defence companies need to restructure, I do not think that it requires a master strategist to see that the UK has got some rationalisation that it can do itself. There is some logic to laying bits of GKN and Vickers together. But you can rationalise without com-

ing to that end I think there will be further movement."

But any restructuring, at home or abroad, will not be easy. Arms firms, particularly in France, are suffering huge financial imbalances, he says. "It is difficult to put any sort of value on some of these companies. That does not make for an easy merger or collaboration at the equity level."

And the move towards joint government defence procurement is fine in principle, but difficult in practice. "The danger is that a product is made that the military does not really want because there have been so many compromises. Then you have got to sort out which country will make what. The whole issue is fraught with difficulties."

The motor industry, too, faces consolidation as component makers are forced to serve carmakers on a global scale. Sir David expects the industry eventually to be dominated by a few international players. But he is not predicting a sudden revolution. "Like many things in the motor industry, rationalisation has been slow coming. Whether it will happen, I

am not totally sure," he says. Nor does he expect GKN to be at the forefront of any changes. The company's drive-line business—making the components that link the wheels to the engine—is number one in the world with a 35 per cent market share. "It is not clear to me with whom GKN would rationalise," he says. "If we were a number three or a number four, then it might be a good idea."

After school at Charterhouse, Sir David trained as an accountant—but he never wanted to be one. His father, a Rear Admiral, did not wish to finance another of his sons through university and the young David Lees saw accountancy as a way into industry. He joined the accountancy firm of Binder Hamlyn in 1962, but grabbed the chance to move to GKN Sankey as chief accountant in 1970. His eventual elevation to the realms of the UK's business establish-

ment remains something of a surprise to him, and colleagues testify to a lack of naked ambition common to so many executives. "I never ever thought about becoming chief executive of a large company; never thought it could conceivably happen. I have always been someone who has taken steps one at a time, before thinking too much about the next job."

He regrets that Greenbury is only remembered for the row over share options. But the recommendations will have a lasting impact, he believes. "You will now see a lot more disclosure. The biggest single problem of this whole subject is the secrecy that surrounds pay and remuneration."

GKN's annual report, out in a few weeks, would be leading by example: "It will be more open, honest, and out on the table," he promises.

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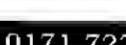
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SCIENCE

A hit squad to save Darwin's paradise isles

Juliette Dominguez reports on a plan to kill off the eco-invaders that are threatening to destroy the Galapagos

When Charles Darwin visited the Galapagos Islands in 1835, he wrote: "I cannot find a spot free from the iguanas' burrows on which to pitch a single tent." Today, the giant land iguana is extinct, and the island's indigenous wildlife is under the threat of extinction from the feral animals and plants introduced by humans over the centuries.

This month, a conservation "hit squad" will visit the Galapagos Islands to try and save their unique wildlife by eradicating the invasive species. Julian Fitter, chairman of the Galapagos Conservation Trust, said: "Unless something immediate and drastic is done, there

will be nothing left of the island's endemic plants and animals. The land is being grazed away to nothing."

The Galapagos Islands, 600 miles off the coast of Ecuador, are invaluable in providing the world with a living laboratory of evolution. Darwin was the first of many scientists to study the unique ecosystem, where biology and geology have gone to bizarre and wonderful extremes.

There are 15 main islands and 106 smaller ones, created by volcanic eruptions out of the ocean some 3 million years ago. There are active volcanoes there even today. Because the chain of islands was never attached to

any other land mass, all the resident species are descended from ones that flew, swam, drifted or were carried there.

Ninety-five per cent of the reptiles, 50 per cent of the birds, 42 per cent of the land plants, 80 per cent of the insects and 17 per cent of the fish cannot be found anywhere else in the world. They include the Galapagos tortoises, marine iguanas, flightless cormorants, blue- and red-footed boobies and 13 species of Darwin's finch, whose variously shaped beaks were used to illustrate his theory of evolution.

The threat to these endemic species comes from overgrazing by goats that have run wild, and

by rats, killing the defenceless indigenous animals.

Alcedo Volcano on Isabela Island is home to more than a third of all Galapagos giant tortoises. It faces ecological collapse as a result of an infestation of goats and burros. The enormous goat population, numbering more than 30,000, is eating the vegetation the tortoises depend on, and they cannot compete.

Dogs have eaten most of the land iguanas, and black rats have discovered how to chew through the shells of baby tortoises, which are soft until they are about three years old.

Mr Bell explains that cleaning up islands requires the investment of many resources

and much time and money. He says: "I don't enjoy killing, but I accept it as an essential way of preserving rare forms of life. People get uplifted about what they see as cruelty to animals, but they don't know how harsh nature is. Look at seabirds – most of them die in their first year due to lack of food. It's sad, but if they all survived we'd be overrun by birds."

Mr Bell is visiting the islands this month for three weeks, and his report will ascertain how best to carry out the eradication and what methods to employ.

Julian Fitter says: "One possible recommendation is the use of helicopters as a vehicle to



The view from here: non-native species threaten the island's famous lizards, such as these marine iguanas. Dogs have already eaten most land iguanas

Pete Oxford/Planet Earth

shoot the goals from. This has the advantage that the goats cannot get away, and the terrain and vegetation will not impede in the same way as ground operation. With luck, once Brian and I have discussed his report, we can implement the programme in November."

Mr Fitter adds: "I have high hopes for the future of the

Galapagos – it is a priceless jewel that must be preserved, not just for the rest of the world to come and visit or study, but because it is of incomparable economic value to Ecuador. If Ecuador loses its unique wildlife and tourists no longer visit Galapagos, then the whole Ecuadorian tourism industry will suffer."

Microbe of the Month: What became of the flesh-eating bug? **Bernard Dixon** investigates

Vital clues to a mystery killer

Whatever happened to the flesh-eating microbe? During the first five months of 1994, the bacterium *Streptococcus pyogenes* caused five cases of necrotising fascitis (NF) – so called because it kills tissues such as the sheaths (fascia) around muscles – two of them fatal, in west Gloucestershire. "Killer bug ate my face" was typical of the headlines spawned by the virulent microbe. The incidents were peculiarly nasty. Moreover five cases in a population of 320,000, where the condition had been unknown for at least a decade, was surprising.

Two years later, some answers to the worrying "flesh-eating bug" affair are available, thanks to an analysis of the incident in the current issue of *Epidemiology and Infection*. The report identifies the likely origin of two of the cases. It also provides guidelines for reducing the risk of a similar occurrence. But it still leaves an element of mystery as to why several cases of a rare condition should have occurred in one area in such a short space of time.

The report presents compelling evidence that the first two NF patients acquired their infections during surgery in the same operating theatre, probably from the throat of a member of the theatre staff. The first patient had a routine hernia operation in February 1994 at a hospital serving the Stroud area. He became feverish the next day, collapsed 36 hours after surgery, and developed the gangrenous changes that characterise NF. Despite intensive treatment with antibiotics, large areas of skin had to be cut away. Four days later, another patient became similarly ill after a varicose vein operation. Again, doctors administered antibiotics and excised the affected tissues. Technicians screened the tissue

for *S. pyogenes* and found that they carried *S. pyogenes*, which can cause NF, usually in people who are vulnerable to infection.

At this stage, the hospital authorities closed the operating theatre for cleansing, and took nose and throat swabs from people working there. One staff member proved to be heavily infected with *S. pyogenes*. Subsequent tests showed that the staff member was of the same type as that in the dead flesh from the second patient. Re-examination of the tissues of the first patient indicated that they also carried the same organism.

In the light of the Gloucestershire incident, the report's authors recommend that any cases of NF developing after surgery should be investigated carefully to determine whether *S. pyogenes* is responsible. They also conclude that, while there is no need for an operating theatre to be closed after one case of NF, the occurrence of two or more cases does warrant immediate closure and investigation of staff.

So why did *S. pyogenes* cause five confirmed cases of NF in one area in such a short space of time? How to account for the infections that were not acquired in hospital? There is no evidence that anything made the people of west Gloucestershire more prone to bacterial infections during the early months of 1994. Perhaps, therefore, the "cluster" of cases arose by chance.

The final possibility is that some genetic change occurred in the bacterium itself. This would have had to affect each of the four different types of *S. pyogenes* – which seems unlikely but could have happened.

In that case, we face one of the trickiest questions of all. Why did the "outbreak" if it really was an outbreak with a common cause, come to an end?

The media made a meal of the fearsome bacterium

EATEN ALIVE

The media made a meal of the fearsome bacterium

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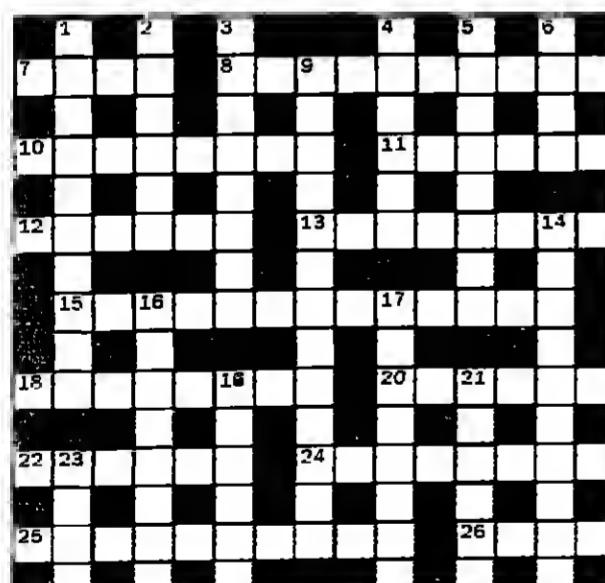
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DOWNS

1 Easy life a gardener may cultivate (3,2,5)

2 Snake without shelter's gone off (6)

3 Closure plan involving American musical (8)

4 Painting Al's left outside (6)

5 It's not fair when it gets held up (8)

6 Spell of wind (4)

9 A sharp pain eventually goes with corrective remedy (1,6,2,4)

14 Fix up hours and then boss arrives (4,6)

16 Fighting idleness (8)

17 Belt up and start working? (6,2)

19 Really mean to grab power without delay (16)

21 Remains of metal clad ship (6)

23 Outstanding poem, by the sound of it (4)

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